

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: May 31, 2017

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): City Clerk

CONTACT PERSON: Rita Moreno PHONE: (213) 978-1122

CONTRACT NO.: C-129375 COUNCIL FILE NO.: 16-0749

ADOPTED BY COUNCIL: 11/09/17
DATE

APPROVED BY BPW: _____
DATE

NEW CONTRACT X
AMENDED AND RESTATED _____
ADDENDUM NO. _____
SUPPLEMENTAL NO. _____
CHANGE ORDER NO. _____
AMENDMENT _____

CONTRACTOR NAME: Venice Beach Property Owners Association

TERM OF CONTRACT: January 1, 2017 THROUGH: December 31, 2021

TOTAL AMOUNT: N/A

PURPOSE OF CONTRACT:

Administration of the Venice Beach Business Improvement District.

NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET

AGREEMENT TO ADMINISTER THE PROPERTY-BASED
BUSINESS IMPROVEMENT DISTRICT

AGREEMENT NO. _____

This Agreement ("Agreement") is entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), and the VENICE BEACH PROPERTY OWNERS ASSOCIATION, a California nonprofit corporation ("Corporation"), acting as the Owners Association pursuant to Section 36651 of the California Streets and Highways Code, for the administration of the Venice Beach Business Improvement District, for the purpose of conveying special benefits to parcels assessed as part of the Venice Beach Business Improvement District, with reference to the following facts:

RECITALS

- A. On November 9, 2016, the Los Angeles City Council ("City Council"), acting pursuant to the Property and Business Improvement Act of 1994, Sections 36600, et seq., of the California Streets and Highways Code ("Act"), adopted City Ordinance No. 184556 ("Ordinance"), which established the Venice Beach Business Improvement District ("District") and levied assessments on the parcels of real property within the District. (Council File No. 16-0749)
- B. The Assessments levied and collected by City shall be used only for the purposes set forth in said Ordinance, which incorporates by reference the Management District Plan, except for any City costs or expenses, which are charged to the District by City for administration of the District program.
- C. The services and activities to be performed by Corporation are of a supplemental nature, such that were it not for the establishment of the District, the supplemental services could not or would not be performed by City or by City employees, and such that the interests of City are better served by an agreement with the Corporation than by the performance or attempted performance of such supplemental services and activities by City.
- D. City currently intends that the level of services presently being provided by City in the area within the District ("baseline service level") will not be affected by the establishment of the District or the levying of assessments.
- E. The City Council has authorized the Los Angeles City Clerk ("City Clerk"), as Business Improvement District Program Coordinator, and subject to approval by the Los Angeles City Attorney, to execute and administer this Agreement for administration of the District program.
- F. Subsequent to adoption of said Ordinance by the Los Angeles City Council, and prior to the execution of this Agreement, Corporation has commenced tasks associated with this Agreement including, but not limited to, the purchase of insurance as required in Section 8.1, herein.

NOW, THEREFORE, City and Corporation in consideration of the recitals, mutual promises, covenants, agreements and representations set forth below, hereby promise, covenant, agree and represent as follows:

SECTION 1. PERIOD OF PERFORMANCE

The period of performance under this Agreement shall be from January 1, 2017 to and including December 31, 2021, unless amended by mutual agreement of both parties through a written amendment to this Agreement.

SECTION 2. CORPORATION RESPONSIBILITIES

- 2.1. **PROGRAM IMPLEMENTATION AND OPERATION.** Corporation shall be fully responsible for developing, implementing, directing, and operating the District programs, improvements or activities as described in the Management District Plan set forth in Attachment 1, attached hereto and incorporated fully by reference. Corporation understands and expressly agrees that it will comply with all applicable laws and regulations and maintain its non-profit status for the duration of this agreement.
- 2.2. **PROGRAM AND BUDGET REPORTS.** Corporation shall prepare and submit to the City Clerk quarterly activity reports and a planning report for each year for which Assessments are to be levied and collected by City. Corporation shall submit to the City Clerk various District program plans and reports, including the following:
 - A. **Planning Reports.** Corporation shall prepare and submit to the City Clerk a Planning Report for each fiscal year for which Assessments are to be levied and collected. The Planning Report shall be prepared in accordance with Section 36650 of the Act and shall contain all items required by said Section. The first Planning Report shall be submitted by November 1, 2017 and by November 1 of each subsequent fiscal year of District operations for which assessments are to be levied and collected. The District's "fiscal year" shall be from January 1 to and including December 31. These reports are subject to review, approval and or modification by the City Council.
 - B. **Quarterly Activity Reports.** Corporation shall submit quarterly activity reports. The report for January, February and March of each District operating year shall be submitted by April 30 of the subject year; the report for April, May and June by July 31 of the subject year; the report for July, August and September by October 31 of the subject year; and the report for October, November and December by January 31 of the subsequent year. The Quarterly Activity reports shall describe the status and progress of the various District programs, improvements and activities as described and referenced in the Management District Plan and subsequent Planning Reports. The Quarterly Activity Report shall be written in narrative summary form and include summary statistical and financial data.
- 2.3. **FINANCIAL STATEMENTS.** For each fiscal year, Corporation shall submit to the City Clerk a full disclosure financial statement covering the fiscal year with a Certified Public Accountant's review report. Corporation shall include with its financial statement a report of Corporation's activities, including but not limited to those activities listed in the Planning Report for that fiscal year. The first financial statement shall be submitted to the City Clerk by May 1, 2018, and by May 1 of each subsequent fiscal year.
- 2.4. **PROGRAM COORDINATION.** Corporation shall render services in accordance with the Management District Plan and the terms of this Agreement, and shall cooperate with the City Clerk in the execution of the Management District Plan and this Agreement.
- 2.5. **SUPPORT SERVICES.** Corporation assumes responsibility for the contracting for support services as required, and paying for all such direct and indirect expenses as may be necessary for the timely completion of work. Any obligations or expenditures for items not budgeted shall not be paid through assessments collected for the District. In administering subcontracts as necessary for providing District programs, improvements or activities, Corporation shall comply with all applicable State, County and City laws and regulations.
- 2.6. **LIAISON WITH COMMUNITY.** Corporation shall maintain an ongoing liaison relationship with the community. Corporation's responsibilities encompass the following areas:

- A. **Public Meetings.** Corporation shall organize and conduct, at a minimum, one annual public meeting to be noticed in writing by Corporation to all assessed property owners in the District. This meeting will be conducted at a location within the District, in order to allow the property owners to meet other District members as well as to familiarize themselves with Corporation, its functions and its officers. At these meetings District members shall have the opportunity to express to Corporation their desires and concerns relating to the District.
 - B. **Newsletters.** Corporation shall prepare a District newsletter to be produced on a quarterly basis, at a minimum, and shall distribute this newsletter to all assessed property owners in the District. Corporation may, at Corporation's option, provide the newsletter by standard mail or electronic transmission. The newsletter will be designed to facilitate and maximize the exchange of information between Corporation, City, and the members of the District. Each issue of the newsletter shall be submitted in duplicate to the City Clerk for reference.
 - C. **Other Events.** Corporation shall organize at their discretion other events and activities that involve District members and further the goals and objectives described in the Management District Plan.
- 2.7. **BUDGET.** Each program, improvement or activity specified in the Management District Plan, and as described in section 36622 of the Act, or the Planning Report, shall be implemented by Corporation. Corporation and City agree that amounts shown in the Management District Plan or the Planning Reports were the best estimates of the cost of those programs, improvements or activities at the time those estimates were made. Deviations from those estimates may be anticipated. City and Corporation also agree that the programs, improvements and activities may not be completed within the year budgeted, given normal delays that can be expected in these types of programs. Corporation will use its best efforts to implement and complete all programs, improvements and activities specified in the Management District Plan. If Corporation decides to make any changes to the Management District Plan, Corporation will request City Council authorization to make said modifications pursuant to Sections 36635 and 36636 of the Act. In no event may Corporation spend more than the total amount budgeted in the Management District Plan for any given year, including delinquent payments, interest income, and rollover funds, without City Clerk or City Council approval.
- 2.8. **ASSESSMENT RECORDS.** Corporation shall maintain a complete database or other comprehensive listing, current to the most recent property tax year available, containing the following information: the Assessor Parcel Number and situs address of all parcels in the District; the name and address of the legal owner of each parcel; the amount of Assessment levied upon each parcel; the proportionate financial obligation of the Assessment levied upon each parcel, in relation to the entire District Assessment; and, the Assessment calculations for each parcel, including all variables used in the calculation of the Assessment. Said database shall be updated at least once each year during District operations to reflect changed conditions such as parcel consolidation and to accurately reflect the status of the assessed individual parcels as provided in the Management District Plan. The City Clerk may, at the City Clerk's discretion, provide assistance in compiling or correcting assessment data or information relative to properties in the District; however, the City Clerk shall in no way be obligated to prepare, produce or correct such data or information. Corporation agrees to make such District data available at the Corporation's office for inspection by property owners in the District during regular business hours.
- 2.9. **ANNUAL ASSESSMENT PREPARATION.** Beginning June 1, 2017, and by June 1 of each subsequent fiscal year, Corporation shall supply the City Clerk with Assessment data for placement on the Los Angeles County Assessor tax roll for the subsequent tax year, in a format to

be prescribed by the City Clerk. The Assessment data shall include the following: Assessor Parcel Numbers of all parcels in the District; the amount of Assessment to be levied upon each parcel; exemption documentation acceptable to the City Clerk, the Assessment calculations for each parcel, including all variables used in the determination of the Assessment, and other information which the City Clerk may require. Any corrections or adjustments to the annual assessment transmittal, as well as the accuracy of any such corrections or adjustments, shall be the responsibility of Corporation. Upon request of the City Clerk, Corporation hereby agrees to promptly complete a written request for an investigation of discrepancies and make all reasonable efforts to obtain additional related documentation. If City agrees, any errors caused by City in transmitting or calculating Corporation supplied data will result in an immediate correction and re-transmission by City.

SECTION 3. CITY RESPONSIBILITIES

The City Clerk may assist with the resolution of any discrepancies in individual Assessment amounts, calculations or benefits. The City Clerk reserves the right to:

- A. Make reasonable efforts to effect the timely collection of the annual assessment, including City assessments and direct billed assessments;
- B. Make reasonable efforts to pursue delinquent assessments and remit such assessments to Corporation, including interest and penalties subject to City's right to recover costs for pursuing such assessments;
- C. Maintain a continual liaison with Corporation, including assisting with the coordination of services from various other City departments, bureaus, and agencies;
- D. Conduct reviews of existing primary data; verify Assessment data as compiled by any consultant or subcontractor hired by Corporation; perform field or site inspections to verify the accuracy of existing or secondary data, or to substantiate a claim made by a property owner subject to assessment in the District, with the cooperation of Corporation; maintain confidentiality of certain City records as City deems appropriate;
- E. Direct the Corporation to recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- F. Recalculate the Assessment amount due and direct the Los Angeles County Auditor-Controller to respond appropriately, or make such other arrangements with Corporation and the property owner to resolve the incorrect assessment;
- G. Any of the actions by the City Clerk mentioned in this Section may require a written request from Corporation to conduct the investigation; additional related documentation, such as a written request from the affected property owner, may also be required. All City Clerk costs associated with such supplemental investigations may be recovered from the District Assessments collected, subject to existing or future City policies and procedures regarding recoverable costs and expenses. Such costs will be in addition to those costs set forth in Sections 6.1 through 6.4 of this Agreement.

SECTION 4. AVAILABILITY OF DOCUMENTS

The designs, plans, reports, files, invoices, investigations, materials, and documents prepared or

acquired by or for Corporation pursuant to this Agreement (including any duplicate copies) shall be made fully available to City by Corporation. Corporation agrees to exercise reasonable and due diligence in providing for the secure storage of all such materials and to provide copies for official City records upon request from the City Clerk.

SECTION 5. DISBURSEMENTS

- 5.1. Based upon the annual assessments as listed in the Management District Plan or Planning Reports, and with the exception of recoverable City costs and net of any County charges or supplemental City service fees, loans or advances, City shall disburse to Corporation the actual revenues received from District assessments. Assessment revenues shall be disbursed to the Corporation by City periodically throughout each year as close to the time City receives such revenues from the County.
- 5.2. The City Clerk will notify Corporation of the amount of funds available within twenty (20) business days of the date of receipt of a transmittal of funds to City from the County of Los Angeles, or the receipt of funds through the direct billing by City of public agencies or other entities. Corporation will deliver an invoice to the City Clerk requesting such funds. The City Clerk agrees to pay Corporation the amount due Corporation within twenty (20) business days of receiving said invoice, subject to Corporation's compliance with Section 2 of this Agreement and except in the case of circumstances beyond the control of the City Clerk. City shall not be responsible for delays in disbursements to Corporation due to delays in funds transmittals by County or payment delays by other public entities, organizations or agencies.
- 5.3. The City Clerk will notify Corporation of the amount of delinquent assessments and penalties, if any, that have been collected and are available to Corporation for the improvements and activities. Corporation will invoice City for the amount of delinquent assessments. The City Clerk agrees to pay Corporation the amount due to Corporation within ten (10) business days of receiving the invoice for the delinquent assessments that have been recovered, subject to Corporation's compliance with its responsibilities under provisions of this Agreement and except in the case of circumstances beyond the control of the City Clerk. The City Clerk will so notify Corporation of these assessments when the amounts collected exceed five hundred dollars (\$500).
- 5.4. The City Clerk may withhold either all or some portion of the actual revenues received from assessments, if the City Clerk finds that Corporation is not properly administering the budget in accordance with the Ordinance, Planning Report, and Subsections 2.2, 2.3, 2.6 (A) & (B), 2.8 (insofar as it requires Corporation to create a budget and expend funds pursuant to this Agreement, the Management District Plan, and the Planning Report, and in compliance with the Act). The City Clerk will notify Corporation and set forth the specific problems and issues relative to the Corporation's failure to properly implement the improvements and activities stated in Section 2 of this Agreement, the Ordinance, Management District Plan, and Planning Report. The City Clerk and Corporation will immediately attempt to cure the problems if, at the City Clerk's discretion, a cure is appropriate. Funds will be released upon the implementation of an acceptable cure, subject to the approval of the City Clerk and possible modification of the disbursement schedule. This does not alter or diminish in any way City's right to proceed in a manner consistent with California Streets and Highways Code, Section 36670 or other applicable law, or to invoke other appropriate remedies, including termination of this agreement.
- 5.5. If the Corporation is dissolved, dissolves itself, or no longer has non-profit status, prior to or upon the expiration of this Agreement, any unexpended monies will be immediately transmitted to City for distribution as described in Section 10 of this Agreement. Corporation will immediately notify the City Clerk of any such change in corporation status.

SECTION 6. COSTS AND EXPENSES

- 6.1. **RECOVERABLE COSTS.** The recoverable City costs associated with the District's billing, account maintenance, program and report reviews as well as liaison activities, assistance to the Corporation and general administration, will be reimbursed to City. City shall deduct recoverable City costs from the District's special fund. Such costs may be withheld by the City Clerk prior to making any distribution of funds to Corporation.
- A. The recoverable City costs are reimbursable from the assessment revenues each year of the District's operation. The reimbursable direct costs and expenses include salaries, general expenses and the District's share of required program equipment costs. The recoverable City costs are two percent (2%) of the total annual assessments, plus an additional one percent (1%) for departmental costs associated with the direct billing of BID stakeholders, if applicable. For the first fiscal year estimated recoverable costs will be \$55,572.24.
- B. The amounts and categories of allowable recoverable or reimbursable City costs are subject to existing or future City policies and procedures regarding recoverable costs and expenses, and remain subject to review and action by the City Council. In no event will a change in policies or procedures be imposed on the Corporation during a current fiscal year, such that the charge would require additional funds to be paid to City. Any such change shall be made through a written amendment to this Agreement, consistent with Section 22 ("Amendment") below.
- 6.2. **STANDARD CITY FEES.** All standard City fees, including but not limited to, fees or service charges for reproduction or transmittal requests or for the generation of real property or business ownership lists, reports or specific documents, may be applied to requests by Corporation. Such fees are in addition to the estimated costs and fees in Sections 6.1, 6.3 and 6.4 of this Agreement.
- 6.3. **SUPPLEMENTAL CITY FEES.** Supplemental fees may be charged to Corporation by City to cover the additional costs incurred for specialized services, including but not limited to: researching and compiling data; preparing specialized types of reports specific to the needs of the Corporation; and performing site inspections as described in Section 3.2. of this Agreement. Corporation may request the performance of all such specialized services in writing. If City determines to proceed with said request, City shall notify the Corporation of any applicable fees prior to performing the specialized service requested. City may initiate such special services to resolve discrepancies or assessment benefit problems. City will notify Corporation thirty (30) days prior to initiating such services in order to allow the Corporation to resolve the need for such specialized services. If notice is not given but City does conduct specialized services, the cost of those specialized services will be borne by the City. Such fees shall be deducted from the Assessments collected or shall be paid in advance by the Corporation, at the City Clerk's discretion and are in addition to costs and fees set forth in Sections 6.1, 6.2 and 6.4 of this Agreement.
- 6.4. **LOS ANGELES COUNTY FEES.** All fees and costs charged to City by the County of Los Angeles for processing or adjusting Assessments or Assessment data, including, but not limited to District report preparation fees, supplemental billing fees and technical, research or systems expenses, shall be deducted from Assessments collected. Such fees are in addition to the costs and fees shown in Sections 6.1 through 6.3 of this Agreement.

SECTION 7. RETENTION OF RECORDS, AUDIT AND REPORTS

- 7.1. In accordance with generally accepted accounting principles, Corporation shall maintain full and complete records of activities and services performed under this Agreement, in their original form. Such records shall be open to the inspection of City and City may audit such records. Corporation agrees to keep all such records on file in a secure location for a minimum of three (3) years subsequent to the expiration of this Agreement.
- 7.2. The records maintained by Corporation shall include, but shall not be limited to, all invoices and receipts for District related expenditures incurred and must include supporting documentation for the activities or programs described in the District budget or Management District Plan. City reserves the right to perform a contract compliance audit at least once annually. Corporation shall provide any records or reports requested by the City regarding performance of this Agreement. Corporation agrees to keep all receipts and other supporting documents available for inspection and as specified in Section 7.1 of this Agreement.

SECTION 8. INSURANCE

8.1. General Conditions

- A. During the term of this Agreement and without limiting Corporation's indemnification of the City, Corporation shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by Corporation but not less than the amounts and types listed on Form General 146 (Rev. 03/09) (attached hereto as Exhibit 1). Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General 133 (Rev. 03/09) (included in Exhibit 1) and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit 1, and shall otherwise be in a form acceptable to the City Attorney. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interests May Appear, respectively, when such status is appropriate and available depending on the nature of the applicable coverages; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and 3) be primary with respect to City's insurance program. Except when City is a named insured, Contractor's insurance is not expected to respond to claims, which may arise from the acts or omissions of the City.

8.2. Modification of Coverage

- A. City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving Corporation ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to the Corporation due to market-wide unavailability of coverage, City agrees to negotiate additional compensation proportional to the increased benefit to City.

8.3. Failure to Procure Insurance

- A. All required insurance must be submitted and approved by the City Attorney prior to the inception of any operations or tenancy by Corporation. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Corporation's insurance broker or agent indicating a good faith effort to place the required insurance and

showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.

- B. Within the foregoing constraints, Corporation's failure to procure or maintain required insurance or a self-insurance program during the entire term of this Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

8.4. Workers' Compensation

- A. By signing this Agreement, Corporation hereby certifies that it is aware of the provisions of Section 3700 et seq., of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.
- B. A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

SECTION 9. NOTICES

- 9.1. Notice to the parties shall, unless otherwise requested in writing, be sent in duplicate to:

City: Miranda Paster, Division Manager
Neighborhood & Business Improvement District Division
Office of the City Clerk
200 North Spring Street, Room 224
Los Angeles, California 90012

Phone (213) 978-1099 / Fax (213) 978-1130

Corporation: Mark Sokol, President
Venice Beach Property Owners Association
8 Horizon Avenue
Venice, California 90291

Phone (213) 788-7469 / Fax (310) 399-4512

- 9.2. Any notice, report, newsletter or other communication required or prepared pursuant to this Agreement shall be deemed to be properly transmitted when delivered via messenger or deposited in the United States mail for delivery to the parties listed above. Changes to the address of any of the parties may be accomplished for purposes of this Agreement by providing written notice of such change via the United States mail.

SECTION 10. REVENUES AND ASSETS OF THE DISTRICT

In the event the District is disestablished, expires, or otherwise terminates, or the Corporation ceases to be a non-profit corporation, all remaining revenue, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, shall be refunded in the manner described in Section 36671 of the Act.

SECTION 11. CONFLICT OF INTEREST

- 11.1. For the duration of this Agreement, Corporation and its employees or agents will not act in a manner which may create District-related conflict of interest. In particular, Corporation's Board of Directors and the District's Executive Director must disclose any material financial interest they have in any matter coming before them for decision. Any Board member, Executive Director or employee shall refrain from participating in the decision-making process relating to any matter in which they may have a material financial interest or conflict of interest.
- 11.2. Nothing in this Section prohibits or precludes Corporation's officers, members, directors, agents, or employees from providing or presenting to other interested parties or entities, information or assistance related to the District's establishment or operations, or to the establishment or operation of other proposed or existing districts throughout the City, where such information or assistance does not create a conflict of interest or disclose confidential information. However, Corporation may not provide those services discussed in Section 2 of this Agreement to any other BID unless the bylaws of both Corporations are amended to permit the provision of such services.
- 11.3. Corporation, in carrying out the improvements and activities as set forth in the Management District Plan or the Planning Reports, should encourage local businesses within the boundaries of the District and within the City of Los Angeles to submit proposals for those services needed by Corporation to implement the improvements and activities. Board Members of Corporation and the Executive Director of the District shall not be precluded from submitting proposals for these services.

SECTION 12. ASSIGNMENT

- 12.1. Corporation covenants and agrees that it will not assign or transfer its rights, including the right to payment, under this Agreement, either in whole or in part, without first obtaining the written consent of City, which consent may be granted or denied at the sole and absolute discretion of City.
- 12.2. Any attempt by Corporation to assign or transfer its rights or obligations without such prior written consent shall be null and void and may, at the option of City, automatically terminate this Agreement.

SECTION 13. GENERAL FUND NOT LIABLE

- 13.1. Neither the General Fund of City, nor any other fund, revenue source or monies whatsoever of City, except for the actual collected District Assessment net revenue, shall be liable for payment of any obligations arising from this Agreement. Said obligations are not a debt of City, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon its income, receipts or revenues.
- 13.2. This Agreement embodies all of Corporation's reimbursement rights and no further note or other document shall be required to be executed by City.

SECTION 14. CORPORATION NOT AGENT OF CITY

Neither Corporation or any of Corporation's employees, agents, representatives, or subcontractors are or shall be considered to be agents of City, nor shall Corporation be considered a legislative body, relative to the performance of Corporation's obligations under this Agreement or for any other purpose.

SECTION 15. TERMINATION

- 15.1. City may terminate this Agreement for City's convenience at any time by giving Corporation thirty (30) days written notice thereof. Upon receipt of said notice, Corporation shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. City shall pay Corporation its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by Corporation to effect such termination. Thereafter, Corporation shall have no further claims against City under this Agreement.
- 15.2. City shall also have the right to suspend this Agreement immediately with written notice to the Corporation in the event City determines that misappropriation of funds, malfeasance, or other violations of law have occurred in connection with the management of the District. City retains the right to immediately commence disestablishment proceedings in accordance with Streets and Highways Code Section 36670, which states in pertinent part that "[a]ny district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council... [i]f the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment." Cal Sts & Hy Code § 36670(a)(1). In addition, City may seek all other available appropriate remedies pursuant to law. Corporation will have 10 days to respond in writing to City's notice of suspension and begin a dispute resolution process.
- 15.3. Further notwithstanding the foregoing, if Corporation ceases to be a non-profit or if a federal or state proceeding for relief of debtors is undertaken by or against Corporation, or if Corporation makes an assignment for the benefit of creditors, then City may immediately terminate this Agreement.
- 15.4. In the event City terminates this Agreement as provided in this section, City may procure upon such terms and in such manner as City may deem appropriate, services similar in scope and level of effort to those terminated, and Corporation shall be liable to City for all its costs and damages, including, but not limited to, any excess costs for such services.
- 15.5. All documents and materials produced or procured by Corporation pursuant to its performance under this Agreement, including the Management District Plan, the Ordinance, or the Act shall become City property upon date of such termination.
- 15.6. The rights and remedies of this Agreement are not exclusive and are in addition to any other rights or remedies provided by law or under this Agreement.

SECTION 16. SEVERABILITY

If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement, the validity of the remaining parts, terms or provisions of the Agreement shall not be affected thereby.

SECTION 17. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles or subtitles appearing herein have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against the City or the Corporation. Use of the feminine, masculine, or neuter genders shall be

deemed to include the genders not used.

SECTION 18. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be enforced and interpreted under the laws of the State of California. Corporation shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

SECTION 19. TIME OF EFFECTIVENESS

Unless otherwise provided, this Agreement shall take effect when all of the following events have occurred:

- A. This Agreement has been signed on behalf of the Corporation by the person or persons authorized to bind the Corporation hereto;
- B. This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Agreement as to form;
- D. This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the board, officer or employee authorized to enter into this Agreement.

SECTION 20. INTEGRATED CONTRACT

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for in Section 21 hereof.

SECTION 21. AMENDMENT

All amendments hereto shall be in writing and signed by the persons authorized to bind the parties thereto.

SECTION 22. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires, floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

SECTION 23. WAIVER

A waiver of a default of any part, term or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

SECTION 24. INDEPENDENT CONTRACTOR

The Corporation is acting hereunder as an independent contractor and not as an agent or employee of the City. The Corporation shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

SECTION 25. PERMITS

The Corporation and its officers, agents and employees shall obtain and maintain all licenses, permits, certifications and other documents necessary for the Corporation's performance hereunder and shall pay any fees required therefor. Corporation certifies to immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

SECTION 26. EQUAL EMPLOYMENT PRACTICES

- A. During the performance of this Contract, the Contractor agrees and represents that it will provide Equal Employment Practices and the Contractor and each Subcontractor hereunder will ensure that in his or her Employment Practices persons are employed and employees are treated equally and without regard to, or because of, race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 3. The Contractor agrees to post a copy of Paragraph A., hereof, in conspicuous places at its place of business available to employees and applicants for employment.
- B. The Contractor will, in all solicitations or advertisements for employees placed by, or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
- C. At the request of the Awarding Authority or the DAA, the Contractor shall certify in the specified format that he or she has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
- D. The Contractor shall permit access to, and may be required to provide certified copies of, all of his or her records pertaining to employment and to employment practices by the

awarding authority or the DAA for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City Contracts. Upon request, the Contractor shall provide evidence that he or she has or will comply therewith.

- E. The failure of any Contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City Contracts. The failure shall only be established upon a finding to that effect by the Awarding Authority, on the basis of its own investigation or that of the DAA. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.
- F. Upon a finding duly made that the Contractor has failed to comply with the Equal Employment Practices provisions of a City Contract, the Contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the Awarding Authority, and all monies due or to become due hereunder may be forwarded to, and retained by, the City of Los Angeles. In addition, thereto, the failure to comply may be the basis for a determination by the Awarding Authority or the DAA that the said Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such a determination, the Contractor shall be disqualified from being awarded a Contract with the City of Los Angeles for a period of two years, or until the Contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- H. The Board of Public Works shall promulgate rules and regulations through the DAA, and provide necessary forms and required language to the Awarding Authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this Contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish the contract compliance program.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. By affixing its signature on a Contract that is subject to this article, the Contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with employment practices, including, but not limited to:
 - 1. hiring practices;
 - 2. apprenticeships where approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 - 3. training and promotional opportunities; and

4. reasonable accommodations for persons with disabilities.
- L. All Contractors subject to the provisions of this section shall include a similar provision in all subcontracts awarded for work to be performed under the Contract with the City, and shall impose the same obligations including, but not limited to, filing and reporting obligations, on the Subcontractors as are applicable to the Contractor. Subcontracts shall follow the same thresholds specified in Section 10.8.1.1. Failure of the Contractor to comply with this requirement or to obtain the compliance of its Subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including, but not limited to, termination of the Contractor's contract with the City.

SECTION 27. AFFIRMATIVE ACTION PROGRAM

- A. During the performance of a City Contract, the Contractor certifies and represents that the Contractor and each Subcontractor hereunder will adhere to an Affirmative Action Program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.
1. This section applies to work or services performed or materials manufactured or assembled in the United States.
 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 3. The Contractor shall post a copy of Paragraph A., hereof, in conspicuous places at its place of business available to employees and applicants for employment.
- B. The Contractor shall, in all solicitations or advertisements for employees placed, by or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.
- C. At the request of the Awarding Authority or the DAA, the Contractor shall certify on an electronic or hard copy form to be supplied, that the Contractor has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.
- D. The Contractor shall permit access to, and may be required to provide certified copies of, all of its records pertaining to employment and to its employment practices by the Awarding Authority or the DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City Contracts and, upon request, to provide evidence that it has or will comply therewith.
- E. The failure of any Contractor to comply with the Affirmative Action Program provisions of City Contracts may be deemed to be a material breach of a City Contract. The failure shall only be established upon a finding to that effect by the Awarding Authority, on the basis of its own investigation or that of the DAA. No finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.

- F. Upon a finding duly made that the Contractor has breached the Affirmative Action Program provisions of a City Contract, the Contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the Awarding Authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition, thereto, the breach may be the basis for a determination by the Awarding Authority or the Board of Public Works that the Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such determination, the Contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City Contract, there may be deducted from the amount payable to the Contractor by the City of Los Angeles under the contract, a penalty of ten dollars for each person for each calendar day on which the person was discriminated against in violation of the provisions of a City Contract.
- H. Notwithstanding any other provisions of a City Contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The Public Works Board of Commissioners shall promulgate rules and regulations through the DAA and provide to the Awarding Authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City Contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. By affixing its signature to a Contract that is subject to this article, the Contractor shall agree to adhere to the provisions in this article for the duration of the Contract. The Awarding Authority may also require Contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Program.
 - 1. The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women and other potential employees in a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:
 - (a) Recruit and make efforts to obtain employees through:
 - (i) Advertising employment opportunities in minority and other community news media or other publications.
 - (ii) Notifying minority, women and other community organizations of employment opportunities.

- (iii) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
 - (iv) Encouraging existing employees, including minorities and women, to refer their friends and relatives.
 - (v) Promoting after school and vacation employment opportunities for minority, women and other youth.
 - (vi) Validating all job specifications, selection requirements, tests, etc.
 - (vii) Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.
 - (viii) Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman or other worker.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.
 - (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in the training programs to enhance their skills and advancement.
 - (d) Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.
 - (e) Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.
 - (f) Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State and Federal authorities upon request.
 - (g) Establish written company policies, rules and procedures which shall be encompassed in a company-wide Affirmative Action Program for all its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions and all others with whom the Contractor may become involved in fulfilling any of its Contracts.
 - (h) Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:
 - (i) What steps were taken, how and on what date.

- (ii) To whom those efforts were directed.
 - (iii) The responses received, from whom and when.
 - (iv) What other steps were taken or will be taken to comply and when.
 - (v) Why the Contractor has been or will be unable to comply.
 - 2. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
- L. The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Awarding Authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
- 1. Apprenticeship where approved programs are functioning, and other on-the- job training for non-apprenticeable occupations;
 - 2. Classroom preparation for the job when not apprenticeable;
 - 3. Pre-apprenticeship education and preparation;
 - 4. Upgrading training and opportunities;
 - 5. Encouraging the use of Contractors, Subcontractors and suppliers of all racial and ethnic groups; provided, however, that any contract subject to this ordinance shall require the Contractor, Subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the Contractor's, Subcontractor's or supplier's geographical area for such work;
 - 6. The entry of qualified women, minority and all other journeymen into the industry; and
 - 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- M. Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- N. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by Contractors engaged in the performance of City Contracts.

- O. All Contractors subject to the provisions of this article shall include a similar provision in all subcontracts awarded for work to be performed under the Contract with the City and shall impose the same obligations including, but not limited to, filing and reporting obligations, on the Subcontractors as are applicable to the Contractor. Failure of the Contractor to comply with this requirement or to obtain the compliance of its Subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including, but not limited to, termination of the Contractor's Contract with the City.

SECTION 28. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

The Corporation represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, sections 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Agreement, the Corporation shall maintain, or obtain as necessary, all such Certificates required of it under said ordinance and shall not allow any such Certificate to be revoked or suspended.

SECTION 29. BONDS

Duplicate copies of all bonds which may be required hereunder shall conform to City requirements established by Charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles Administrative Code Sections 11.47 through 11.5.

SECTION 30. INDEMNIFICATION

- 30.1 **INDEMNIFICATION OF CORPORATION BY CITY.** City undertakes and agrees to defend, indemnify, and hold harmless Corporation and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising from the active negligence or willful misconduct incident to the performance of this Agreement by the City or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.
- 30.2 **INDEMNIFICATION OF CITY BY CORPORATION.** Corporation undertakes and agrees to defend, indemnify, and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Corporation's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner incident to the performance of this Agreement by the Corporation or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Agreement.

SECTION 31. AMERICANS WITH DISABILITIES ACT

Corporation hereby certifies that it will comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. The Corporation will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. Corporation will not discriminate against persons with disabilities nor against

persons due to their relationship to or association with a person with a disability. Any subcontract entered into by Corporation, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

SECTION 32. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, which requires Corporation to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Corporation's fitness and ability to continue performing the Agreement. In accordance with the provisions of this Ordinance, by signing this Agreement, Corporation pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. The Corporation further agrees to: 1) notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Corporation is not in compliance with all applicable federal, state and local laws in performance of this Agreement; 2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Corporation has violated the provisions of Section 10.40.3(a) of the Ordinance; 3) ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and 4) ensure that its subcontractor(s), as defined in the Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify Awarding Authorities within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Ordinance in performance of the subcontract.

SECTION 33. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. Corporation certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

SECTION 34. WARRANTY AND RESPONSIBILITY OF CORPORATION

Corporation warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within Corporation's profession, doing the same or similar work under the same or similar circumstances.

SECTION 35. SIGNATURE AUTHORITY

The City Clerk of the City of Los Angeles and the Chairman of the Board, President, or Vice President and Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer of Corporation declare that they are authorized to execute this Agreement on behalf of City and Corporation.

SECTION 36. STANDARD PROVISIONS FOR CITY CONTRACTS

Contractor agrees to comply with the Standard Provisions for City Contracts (Rev. 03/09),

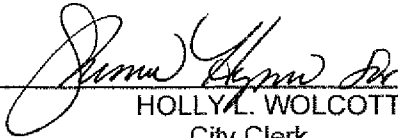
attached hereto as Appendix A and made a part hereof. In the event of any inconsistency between the provisions in the body of this Agreement and the attachments, the provisions in the body of this Agreement take precedence, followed by the Standard Provisions for City Contracts (Appendix A).


(Signature page follows)

IN WITNESS WHEREOF, this Agreement is duly executed by THE CITY OF LOS ANGELES and the VENICE BEACH PROPERTY OWNERS ASSOCIATION for administration of the Venice Beach Business Improvement District on behalf of the parties to this Agreement.

CITY:
CITY OF LOS ANGELES, a municipal corporation, acting by and through its Office of the City Clerk

CORPORATION:
VENICE BEACH PROPERTY OWNERS ASSOCIATION
a California non-profit corporation

By: 
HOLLY L. WOLCOTT
City Clerk

By: 
MARK SOKOL
President

Date: 5/31/17

Date: 5/5/17

By: 
STEVEN M. HEUMANN
Treasurer

Date: _____

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

ATTESTATION:
HOLLY L. WOLCOTT, City Clerk

By: 
Deputy City Attorney

By: 
Deputy

Date: 5/18/17

Date: 5/31/17

Council File No. 16-0749

C-129375



STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one **CONTRACTOR** herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

PSC-4. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.
3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the

CITY'S lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The **CITY** has the right to approve **CONTRACTOR'S** subcontractors, and the **CITY** reserves the right to request replacement of subcontractors. The **CITY** does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the **CITY** and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the **CITY**, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the **CITY**. These records shall be retained for a period of no less than three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized **CITY** personnel or by the **CITY'S** representative at any time during the term of this Contract or within the three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. **CONTRACTOR** shall provide any reports requested by the **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the **CITY** under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to **CITY** requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the **CITY**, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, **CONTRACTOR** undertakes and agrees to defend, indemnify and hold harmless the **CITY** and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by **CONTRACTOR** or its subcontractors of any tier. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the **CITY**, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the **CITY'S** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-21 shall survive expiration or termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the **CITY** for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

For all Work Products delivered to the **CITY** that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.

- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an *irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter*. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC-32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles’ Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922.”

PSC-36. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Required Insurance and Minimum Limits

Name: Venice Beach Property Owners Association

Date: 04/19/2017

Agreement/Reference: Administration of the Venice Beach Business Improvement District (Council File 16-0749).

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	Limits
<hr/>	
<input checked="" type="checkbox"/> Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u>
<input checked="" type="checkbox"/> Waiver of Subrogation in favor of City	EL <u>\$1,000,000</u>
<input type="checkbox"/> Longshore & Harbor Workers	
<input type="checkbox"/> Jones Act	

<input checked="" type="checkbox"/> General Liability	\$2,000,000
<input checked="" type="checkbox"/> Products/Completed Operations	<input type="checkbox"/> Sexual Misconduct
<input type="checkbox"/> Fire Legal Liability	
<input checked="" type="checkbox"/> General Aggergate limit of \$2,000,000 / Per Occurrence \$1,000,000	

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

Professional Liability (Errors and Omissions)
Discovery Period _____

<input type="checkbox"/> Property Insurance (to cover replacement cost of building - as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage	<input type="checkbox"/> Boiler and Machinery
<input type="checkbox"/> Flood	<input type="checkbox"/> Builder's Risk
<input type="checkbox"/> Earthquake	<input type="checkbox"/>

Pollution Liability

Surety Bonds - Performance and Payment (Labor and Materials) Bonds 100% of the contract price

Crime Insurance

Other: Submitted to Rita Moreno @ City Clerk (213-978-1122), April 19, 2017.

- (1) Directors and Officers Liability Coverage is required. \$1,000,000 minimum per occurrence limit.
- (2) In the absence of imposed automobile liability insurance requirements, all contractors using vehicles during the course of this contract must adhere to the financial/liability responsibility laws of the State of California.

Venice Beach

A Los Angeles Property-Based Business
Improvement District

Management District Plan

June 24, 2016

Prepared by



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1 Management District Plan Summary

Name of District: The name of the District is the *Venice Beach Business Improvement District* (hereinafter the "District"), located in the City of Los Angeles. The District is being established pursuant to Section 36600 et seq. of the California Streets and Highways Code, The "Property and Business Improvement District Law of 1994 as amended", hereinafter referred to as State Law.

Type of District: New, Property-Based BID

Duration: The District shall have a 5-year life beginning January 1, 2017 and ending December 31, 2021, unless renewed by a new vote of the property owners. If not renewed, or otherwise terminated, unused funds shall be returned to the property owners in a pro-rata share, in accordance with Streets and Highways Code section 36671.

Implementation Timeline: In accordance with State law, the District will have a five-year life from January 1, 2017 to December 31, 2021. The District is expected to begin services on or shortly after January 1, 2017. If the District is not renewed, services will sunset on December 31, 2021.

Boundaries: The proposed commercial and industrial District lies entirely within Venice, a coastal community within the City of Los Angeles. The proposed District generally includes all non-residentially-zoned properties between the Los Angeles city boundary (with Santa Monica) on the north, the Pacific Ocean on the west and Venice Boulevard on the south. The eastern boundary is irregular, and is primarily determined by where commercially- and industrially-zoned properties end and residential (R3 and lower density residential) zoning begins. For additional information, see boundaries and boundary rationale (p. 8) and map (p. 20.)

Governance: The City shall contract with a non-profit Owners' Association to manage the District and implement this plan. The Owners' Association will review and approve the District budget, policies and operational plans. They shall hire and oversee all staff and/or contractors charged with the execution of services to the District. Annual and quarterly reports, newsletters and CPA-reviewed financial statements will be submitted to the City according to a calendar established by the Office of the City Clerk, Neighborhood and Business Improvement District Division.

Service & Improvement Plan: The service and improvement plan for the District, totaling **\$1,871,119**, has three budget categories, broken out as follows:

<i>Clean & Safe Programs</i>	<i>\$1,365,917</i>	<i>73%</i>
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Examples include: bicycle, Segway, vehicular or foot patrols, sidewalk sweeping, pressure washing, landscaping, trash removal, graffiti/poster/sticker/gum removal and other related activities

District Identity & Special Projects \$130,978 7%

Examples include: Website, newsletter, promotional efforts, outreach programs

Administration & Management \$374,224 20%

Examples include: Personnel costs, city fees, formation costs, legal, accounting, insurance, office space, office supplies and equipment

There are two benefit zones. Each parcel shall receive services proportional to its assessment. Clean and safe services shall be provided to all parcels in the District. Parcels in Zone 1 require and shall receive much more frequent and more intensive clean and safe programming than parcels in Zone 2. Assessment rates for parcels in Zone 1 correspond to the frequency of clean and safe services that shall be provided to Zone 1 parcels which have more frequent special benefit needs. Zone 2 parcels shall receive a frequency of clean and safe services that corresponds to the level of special benefit needs. Administration and management services shall be provided to all parcels in the District. District identity and special projects services shall be provided for the majority of parcels in the District. The district identity and special projects portion of the budget is principally to promote the District and thereby increase commercial activity and patronage. Select public parcels (as identified on p. 33) do not benefit from district identity and special projects services, as they do not have any commercial activity or function, and do not benefit from increased patronage. These select public parcels are assessed for clean and safe and administration and management services, but are not assessed for district identity and special projects services.

The total 2017 budget for the District is \$1,871,119.

Budget Totals: Year 1 (2017) - Year 5 (2021) – Special + General Benefit Allocations/Costs
(assessment and non-assessment revenues)

SPECIAL + GENERAL BENEFIT COSTS BY CATEGORY & ZONE	Clean and Safe	District Identity	Admin	TOTAL
<u>ZONE 1</u>				
Year 1 - 2017 Special Benefit Cost	\$857,662	\$82,241	\$234,976	\$1,174,879

Year 1 - 2017 General Benefit Cost	\$8,663	\$831	\$2,373	\$11,867
Year 1 - 2017 Sub Total Costs	\$866,325	\$83,072	\$237,349	\$1,186,746
<u>ZONE 2</u>				
Year 1 - 2017 Special Benefit Cost	\$494,596	\$47,427	\$135,506	\$677,529
Year 1 - 2017 General Benefit Cost	\$4,996	\$479	\$1,369	\$6,844
Year 1 - 2017 Sub Total Costs	\$499,592	\$47,906	\$136,875	\$684,373
Total Yr 1 Special Benefit Costs	\$1,352,258	\$129,668	\$370,482	\$1,852,408
Total Yr 1 General Benefit Costs	\$13,659	\$1,310	\$3,742	\$18,711
TOTAL YR 1 - 2017 COSTS	\$1,365,917	\$130,978	\$374,224	\$1,871,119
<u>ZONE 1</u>				
Year 2 - 2018 Special Benefit Cost	\$900,545	\$86,353	\$246,725	\$1,233,623
Year 2 - 2018 General Benefit Cost	\$9,096	\$872	\$2,492	\$12,460
Year 2 - 2018 Sub Total Costs	\$909,641	\$87,225	\$249,217	\$1,246,083
<u>ZONE 2</u>				
Year 2 - 2018 Special Benefit Cost	\$519,326	\$49,798	\$142,281	\$711,405
Year 2 - 2018 General Benefit Cost	\$5,246	\$503	\$1,437	\$7,186
Year 2 - 2018 Sub Total Costs	\$524,572	\$50,301	\$143,718	\$718,591
TOTAL YR 2 Special Benefit Costs	\$1,419,871	\$136,151	\$389,006	\$1,945,028
TOTAL YR 2 General Benefit Costs	\$14,342	\$1,375	\$3,929	\$19,646
TOTAL YR 2 - 2018 COSTS	\$1,434,213	\$137,526	\$392,935	\$1,964,674
<u>ZONE 1</u>				
Year 3 - 2019 Special Benefit Cost	\$945,572	\$90,671	\$259,061	\$1,295,304
Year 3 - 2019 General Benefit Cost	\$9,551	\$916	\$2,617	\$13,084

Year 3 - 2019 Sub Total Costs	\$955,123	\$91,587	\$261,678	\$1,308,388
<u>ZONE 2</u>				
Year 3 - 2019 Special Benefit Cost	\$545,292	\$52,288	\$149,395	\$746,975
Year 3 - 2019 General Benefit Cost	\$5,508	\$528	\$1,509	\$7,545
Year 3 - 2019 Sub Total Costs	\$550,800	\$52,816	\$150,904	\$754,520
TOTAL YR 3 Special Benefit Costs	\$1,490,864	\$142,959	\$408,456	\$2,042,279
TOTAL YR 3 General Benefit Costs	\$15,059	\$1,444	\$4,126	\$20,629
TOTAL YR 3 - 2019 COSTS	\$1,505,923	\$144,403	\$412,582	\$2,062,908
<u>ZONE 1</u>				
Year 4 - 2020 Special Benefit Cost	\$992,851	\$95,204	\$272,014	\$1,360,069
Year 4 - 2020 General Benefit Cost	\$10,029	\$962	\$2,748	\$13,739
Year 4 - 2020 Sub Total Costs	\$1,002,880	\$96,166	\$274,762	\$1,373,808
<u>ZONE 2</u>				
Year 4 - 2020 Special Benefit Cost	\$572,557	\$54,902	\$156,865	\$784,324
Year 4 - 2020 General Benefit Cost	\$5,783	\$555	\$1,584	\$7,922
Year 4 - 2020 Sub Total Costs	\$578,340	\$55,457	\$158,449	\$792,246
TOTAL YR 4 Special Benefit Costs	\$1,565,408	\$150,106	\$428,879	\$2,144,393
TOTAL YR 4 General Benefit Costs	\$15,812	\$1,517	\$4,332	\$21,661
TOTAL YR 4 - 2020 COSTS	\$1,581,220	\$151,623	\$433,211	\$2,166,054
<u>ZONE 1</u>				
Year 5 - 2021 Special Benefit Cost	\$1,042,493	\$99,965	\$285,615	\$1,428,073

Year 5 - 2021 General Benefit Cost	\$10,530	\$1,010	\$2,885	\$14,425
Year 5 - 2021 Sub Total Costs	\$1,053,023	\$100,975	\$288,500	\$1,442,498
<u>ZONE 2</u>				
Year 5 - 2021 Special Benefit Cost	\$601,185	\$57,648	\$164,708	\$823,541
Year 5 - 2021 General Benefit Cost	\$6,073	\$582	\$1,664	\$8,319
Year 5 - 2021 Sub Total Costs	\$607,258	\$58,230	\$166,372	\$831,860
TOTAL YR 5 Special Benefit Costs	\$1,643,678	\$157,613	\$450,323	\$2,251,614
TOTAL YR 5 General Benefit Costs	\$16,603	\$1,592	\$4,549	\$22,744
TOTAL YR 5 - 2021 COSTS	\$1,660,281	\$159,205	\$454,872	\$2,274,358

* The above table assumes the maximum possible annual assessment increase of 5%. Actual annual increase may be less. 1% of the total budget shall be generated from non-assessment source(s.)

Other Budget Provisions: Assessments may be adjusted annually but any increase shall not exceed 5% per year. In any year, assessments may be increased up to (but may not exceed) the maximum as established in the table above. Assessments may be reduced by the District Owners' Association in any given year. Increases or decreases are not automatic, and may not occur in any given year. Any annual increase or decrease shall require a vote by the District Owners' Association Board of Directors, and shall be stipulated in the District's Annual Planning Report submitted to the City. The District Owners' Association shall have the right to reallocate up to 10% of the budget allocation by line item within the budgeted categories in order to deal with fluctuating market costs for District services and programs. Accrued interest or delinquent payments may be expended in any budget category.

Any annual budget surplus shall be rolled over into the following year's budget for the District, or may be used to cover the costs of renewal of the district. The budget for that year shall be set by the Owners' Association, in accordance with the Management District Plan. If the District expires with a surplus, funds may be rolled over into a renewed or reformed District if established, but shall only be expended on those parcels that were assessed in the original District; if none is established, the surplus shall be returned, on a pro rata basis, to each property owner in the District, in accordance with State law.

In the calculation of assessments, frontage, lot and building measurements are rounded to the nearest whole number. Assessments are rounded to the nearest cent. The overall budget and budget categories are rounded to the nearest dollar.

Method of Financing: A levy of special assessments shall be made upon real property that receives special benefits from the improvements and activities described within this plan.

Assessment Methodology: There are two benefit zones in the District. In Zone 1, assessable commercial, industrial and government-owned parcels shall be assessed \$0.08 per square foot (SF) of building, \$0.11 per SF of lot, and \$29 per linear foot (LF) of frontage. In Zone 2, assessable commercial, industrial and government-owned parcels shall be assessed at \$0.08 per square foot (SF) of building, \$0.11 per SF of lot, and \$14.50 per LF of frontage. For more detail on the assessment methodology, see p. 26.

Zone 1 shall receive twice the frequency of clean & safe services as Zone 2. More detail is provided in the Service & Improvement Plan on p. 21. Also, see the Quantitative Benefit Analysis section, p. 12 of the Engineer's Report, for a definition of special vs. general benefits, an explanation of the method used to calculate general benefits, and an explanation of the special benefits to be conveyed for each of the various land use categories.

District Formation Requirements: In order to form the District, property owners shall present favorable petitions representing more than 50% of the total assessments outlined in the Assessment Roll (see p. 34.) Once presented and verified, a ballot procedure shall occur pursuant to CA Proposition 218.

2a Boundary: Description & Rationale

Setting: The proposed District is located in the coastal community of Venice Beach located in the southwest region of the City of Los Angeles. According to the Venice Chamber of Commerce, Venice Beach is the #2 tourist destination in Southern California (second only to Disneyland.) The property uses within the boundaries of the proposed District which will receive special benefits from District funded programs and services are currently a mix of commercial, industrial, government and residential.

Ocean Front Walk (aka the Boardwalk), a mixed-use, oceanfront, pedestrian-oriented, tourist-dominated corridor and generally includes all commercially and industrially zoned properties along the Ocean Front Walk, Pacific, Main Street, Hampton Drive and 3rd Ave corridors between the Los Angeles-Santa Monica city boundary on the north and Venice Boulevard on the south. The iconic Ocean Front Walk is a pedestrian-only street flanked by commercial business. The

other streets are open to vehicular traffic, many run parallel to Ocean Front Walk, and are predominantly populated with uses that are related to Ocean Front Walk and its tourism.

The proposed District is dominated by commercial and government owned parcels, with a small but significant number of industrially-zoned parcels. The industrially-zoned parcels of the District are principally occupied by a) commercial businesses, b) office space, c) guest/vacation rental units and/or d) mixed-use condominium units over retail (many of which are also operated as vacation rental units.) In these industrial areas, many parcels contain multiple uses within a single parcel (e.g. residential over retail.) Very few parcels operate as traditional industrial uses (e.g. Metro's bus maintenance facility.) Each assessed parcel will specially benefit from District programs and services. More detail on how parcels specially benefit from District programs and services can be found in the Boundary Rationale section of this Report (p. 17) and the Service & Improvement Plan (p. 21.)

The commercial parcels in the proposed District are heavily tourist-related: hotels, vacation rentals, restaurants, bars, entertainment, paid parking, visitor services, and a variety of retail, including sales/rentals of sports and recreation equipment, etc. One of the District goals is to maintain and even increase the tourist base.

The western side of Ocean Front Walk, the adjacent grassy knoll and beach, as well as restrooms, parking lots, maintenance facilities and a public library are among the most heavily utilized public facilities in the U.S., and these government-owned parcels constitute as significant a part of Venice's attractions as the hotels, shops, restaurants and other local businesses that also populate the area. Ownership of this public beachfront property is divided between the City of Los Angeles and the State of California. The state-owned property has been operated under the auspices of the City of Los Angeles pursuant to an agreement signed in 1948. The City maintains full operational control of the state-owned property, and the State is not involved in its operation or management. The City is responsible for the District assessment for the state-owned property.

The majority of government owned parcels in the District are heavily utilized by Venice tourists and visitors (public parks, paid parking lots, terminus for local public transportation, etc.) but there are some exceptions. These include an LAUSD elementary school parcel that is surrounded by commercially-zoned, tourist-oriented properties, and a Los Angeles Public Library parcel, which, in addition to the Library, also contains a large open space area (pocket park and pedestrian/jogging/biking/skateboarding path) along Venice Boulevard, one of the primary gateways to Ocean Front Walk and Venice Beach.

Due to geographic and legal (PBID Law) limitations, the actual District boundaries within the broadly defined limits described above are irregular in places to coincide with City boundaries, the ocean, and land use zoning. These limitations are incorporated into the District boundaries. Further explanation of the District Boundary Rationale begins on p. 17.

The proposed District includes all of the Ocean Front Walk (aka the Boardwalk), a mixed-use, oceanfront, pedestrian-oriented, tourist-dominated corridor. State PBID Law (Section 36632 Streets and Highways Code) states: Properties zoned solely for residential use.....are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessments pursuant to this part. It is noted that no parcels within the proposed District are zoned solely residential.

There are two benefit zones within the proposed District. The zone boundaries are described on p. 13 and the zone rationale is described on p. 18.

District Boundary Legal Description: The boundary of the proposed District and parcels within it are shown on the map of the District on p. 20 of this Management District Plan. The District includes all parcels within the boundaries described below.

True Point of Beginning: Beginning at the northwest corner of the District, at the westerly edge of the northern property line of APN 4288029914; thence east along the northern property line of APN 4288029914 and continuing along the centerline of Barnard Way to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the centerline of Ozone Avenue; thence east along said centerline of Ozone Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Dudley Avenue; thence west along said centerline of Dudley Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the north property line of APN 4286029012; thence east along said north property line of said APN 4286029012 to the centerline of Speedway; thence south along said centerline of Speedway to the eastern prolongation of the southern property line of APN 4286029013; thence west along said southern property line of said APN 4286029013 to the northern prolongation of the eastern property line of APN 4286029017; thence south along said eastern property line of said APN 4286029017 to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Horizon Court; thence east along said centerline of Horizon Court to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238011004; thence east along said northern property line of said APN 4238011004 to the centerline of Park Row; thence north along said centerline of Park Row to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Clubhouse Avenue; thence east along said centerline of Clubhouse Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Thornton Place; thence west along said centerline of Thornton Place to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline

of Main Street; thence north along said centerline of Main Street to the centerline of Rose Avenue; thence west along said centerline of Rose Avenue to the southerly prolongation of the western property line of APN 4286017093; thence north along said western property line of said APN 4286017093, crossing Navy Street and continuing along the western property line of APN 4288006013 to its intersection with the northern property line of said APN 4288006013; thence east along said northern property line of said APN 4288006013 to its intersection with the eastern property line of said APN 4288006013; thence south along said eastern property line of said APN 4288006013 to the centerline of Navy Street; thence east along said centerline of Navy Street to the centerline of Main Street; thence north along said centerline of Main Street to the westerly prolongation of the northern property line of APN 4286003001; thence east along said northern property line of said APN 4286003001 and APN 4286003019 and continuing to the centerline of Hampton Drive; thence south along said centerline of Hampton Drive to the centerline of Rose Avenue; thence east along said centerline of Rose Avenue to the centerline of 4th Avenue; thence south along said centerline of 4th Avenue to the centerline of Vernon Avenue; thence west along said centerline of Vernon Avenue to the southerly prolongation of the western property line of APN 4286007015; thence north along said western property line of said APN 4286007015 to the centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue; thence west along said centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Vernon Avenue; thence east along said centerline of Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Indiana Avenue; thence east along said centerline of Indiana Avenue to the unnamed alley that lies immediately east of and parallel to Hampton Drive, thence south along said centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive to the easterly prolongation of the southern property line of APN 4286010044; thence west along said southern property line of said APN 4286010044 to the centerline of Douglas Place; thence south along said centerline of Douglas Place to the centerline of Brooks Avenue; thence west along said centerline of Brooks Avenue to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of Riviera Avenue; then south along said centerline of Riviera Avenue to the centerline of San Juan Avenue; thence west along said centerline of San Juan Avenue to the southerly prolongation of the western property line of APN 4238010009; thence north along said western property line of said APN 4238010009 to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of the unnamed alley that runs immediately east of and parallel to Main Street; thence south along said centerline of the unnamed alley that runs immediately east of and parallel to Main

Street and continuing across San Juan Avenue to the northerly prolongation of the eastern property line of APN 4238010016; thence south along said eastern property line of said APN 4238010016 and continuing across Horizon Avenue to the centerline of Granada Court; thence south along said centerline of Granada Court to the northerly prolongation of the eastern property line of APN 4238013006; thence south along said eastern property line of said APN 4238013006 to the centerline of Windward Avenue; thence west along said centerline of Windward Avenue to the centerline of Grand Boulevard; thence east along said centerline of Grand Boulevard to the northerly prolongation of the eastern property line of APN 4238021001; thence south along said eastern property line of said APN 4238021001 to the centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard; thence east along said centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard to the to the northerly prolongation of the eastern property line of APN 4238021025; thence south along said eastern property line of said APN 4238021025 to the centerline of Venice Way; thence west along said centerline of Venice Way to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the centerline of 18th Avenue; thence west along said centerline of 18th Avenue to the southerly prolongation of the western property line of APN 4226010011; thence north along said western property line of said APN 4226010011 and continuing across 17th Place and along the western property line of APN 4226010018 to the centerline of 17th Avenue; thence west along said centerline of 17th Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of 19th Avenue; thence west along said centerline of 19th Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the northern property line of APN 4226013006; thence east along said northern property line of said APN 4226013006 to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of 20th Place; thence east along said centerline of 20th Place to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238022001; thence east along said northern property line of said APN 4238022001 to the centerline of Strongs Drive; thence south along said centerline of Strongs Drive to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the northerly prolongation of the eastern property line of APN 4238024906; thence south along said eastern property line of said APN 4238024906 to its intersection with the northern property line of APN 4238024907; thence east along said northern property line of said APN 4238024907 and continuing across Dell Avenue and along the northern property lines of APN 4238025901 and APN 4238025902 to the intersection of the northern property line of said APN 4238025902 with the western property line of APN 4238025903; thence north along said western property line of said APN 4238025903 to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney Boulevard to the centerline of South Venice Boulevard; thence west along said centerline of South Venice Boulevard to the

centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard to the northerly prolongation of the eastern boundary of APN 4226014018; thence south along said eastern boundary of said APN 4226014018 to the centerline of Center Court; thence west along said centerline of Center Court to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard and continuing across Ocean Front Walk and along the southern property line of APN 4226001900 to its intersection with the western property line of APN 4226001900; thence north along said western property line of said APN 4226001900 to the centerline of Market Street; thence east along said centerline of Market Street to the southerly prolongation of the western boundary line of APN 4226001902; thence north along said western boundary line of said APN 4226001902 to its intersection with the northern boundary of APN 4226001902; thence east along said northern boundary of said APN 4226001902 to its intersection with the western property line of APN 4226001901, thence north along the western property lines of said APN 4226001901 and continuing along the western property lines of APNs 4286027902, 4286028902, 4286029902, 4286030903, 4288029909, 4288029910 and 4288029914 to the intersection of said APN 4288029914 with the northern boundary of said APN 4288029914, the True Point of Beginning.

There are two zones within the District. The exterior perimeter boundaries of Zone 1 and Zone 2 are more specifically described as follows:

Benefit Zone 1 Description

Beginning at the True Point of Beginning at the westerly edge of the northern property line of APN 4288029914; thence east along the northern property line of APN 4288029914 and continuing along the centerline of Barnard Way to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the centerline of Ozone Avenue; thence east along said centerline of Ozone Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Dudley Avenue; thence west along said centerline of Dudley Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the north property line of APN 4286029012; thence east along said north property line of said APN 4286029012 to the centerline of Speedway; thence south along said centerline of Speedway to the eastern prolongation of the southern property line of APN 4286029013; thence west along said southern property line of said APN 4286029013 to the northern prolongation of the eastern property line of APN 4286029017; thence south along said eastern property line of said APN 4286029017 to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the

centerline of Horizon Court; thence east along said centerline of Horizon Court to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238011004; thence east along said northern property line of said APN 4238011004 to the centerline of Park Row; thence north along said centerline of Park Row to the centerline of Westminster Avenue; thence east along said centerline of Westminster Avenue to the centerline of Riviera Avenue; thence south along said centerline of Riviera Avenue to the centerline of San Juan Avenue; thence west along said centerline of San Juan Avenue to the southerly prolongation of the western property line of APN 4238010009; thence north along said western property line of said APN 4238010009 to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of the unnamed alley that runs immediately east of and parallel to Main Street; thence south along said centerline of the unnamed alley that runs immediately east of and parallel to Main Street and continuing across San Juan Avenue to the northerly prolongation of the eastern property line of APN 4238010016; thence south along said eastern property line of said APN 4238010016 and continuing across Horizon Avenue to the centerline of Granada Court; thence south along said centerline of Granada Court to the northerly prolongation of the eastern property line of APN 4238013006; thence south along said eastern property line of said APN 4238013006 to the centerline of Windward Avenue; thence west along said centerline of Windward Avenue to the centerline of Grand Boulevard; thence east along said centerline of Grand Boulevard to the northerly prolongation of the eastern property line of APN 4238021001; thence south along said eastern property line of said APN 4238021001 to the centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard; thence east along said centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard to the to the northerly prolongation of the eastern property line of APN 4238021025; thence south along said eastern property line of said APN 4238021025 to the centerline of Venice Way; thence west along said centerline of Venice Way to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the centerline of 18th Avenue; thence west along said centerline of 18th Avenue to the southerly prolongation of the western property line of APN 4226010011; thence north along said western property line of said APN 4226010011 and continuing across 17th Place and along the western property line of APN 4226010018 to the centerline of 17th Avenue; thence west along said centerline of 17th Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of 19th Avenue; thence west along said centerline of 19th Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the northern property line of APN 4226013006; thence east along said northern property line of said APN 4226013006 to the centerline of Speedway; thence north along said centerline of

Speedway to the centerline of 20th Place; thence east along said centerline of 20th Place to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238022001; thence east along said northern property line of said APN 4238022001 to the centerline of Strongs Drive; thence south along said centerline of Strongs Drive to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the northerly prolongation of the eastern property line of APN 4238024906; thence south along said eastern property line of said APN 4238024906 to its intersection with the northern property line of APN 4238024907; thence east along said northern property line of said APN 4238024907 and continuing across Dell Avenue and along the northern property lines of APN 4238025901 and APN 4238025902 to the intersection of the northern property line of said APN 4238025902 with the western property line of APN 4238025903; thence north along said western property line of said APN 4238025903 to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney Boulevard to the centerline of South Venice Boulevard; thence west along said centerline of South Venice Boulevard to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard to the northerly prolongation of the eastern boundary of APN 4226014018; thence south along said eastern boundary of said APN 4226014018 to the centerline of Center Court; thence west along said centerline of Center Court to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard and continuing across Ocean Front Walk and along the southern property line of APN 4226001900 to its intersection with the western property line of APN 4226001900; thence north along said western property line of said APN 4226001900 to the centerline of Market Street; thence east along said centerline of Market Street to the southerly prolongation of the western boundary line of APN 4226001902; thence north along said western boundary line of said APN 4226001902 to its intersection with the northern boundary of APN 4226001902; thence east along said northern boundary of said APN 4226001902 to its intersection with the western property line of APN 4226001901, thence north along the western property lines of said APN 4226001901 and continuing along the western property lines of APNs 4286027902, 4286028902, 4286029902, 4286030903, 4288029909, 4288029910 and 4288029914 to the intersection of said APN 4288029914 with the northern boundary of said APN 4288029914, the True Point of Beginning.

Benefit Zone 2 Description

Beginning at the northwest corner of Zone 2, at the intersection of the western and northern property lines of APN 4288006013; thence east along said northern property line of said APN 4288006013 to its intersection with the eastern property line of said APN 4288006013; thence south along said eastern property line of said APN 4288006013 to the centerline of Navy Street; thence east along said centerline of Navy Street to the centerline of Main Street; thence north along said centerline of Main Street to the westerly prolongation of the northern property line of APN 4286003001; thence east along said northern property line of said APN 4286003001 and APN 4286003019 and continuing to the centerline of Hampton Drive; thence south along said centerline of Hampton Drive to the centerline Rose Avenue; thence east along said centerline Rose Avenue to the centerline of 4th Avenue; thence south along said centerline of 4th Avenue to the centerline of Vernon Avenue; thence west along said centerline of Vernon Avenue to the southerly prolongation of the western property line of APN 4286007015; thence north along said western property line of said APN 4286007015 to the centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue; thence west along said centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Vernon Avenue; thence east along said centerline of Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Indiana Avenue; thence east along said centerline of Indiana Avenue to the unnamed alley that lies immediately east of and parallel to Hampton Drive, thence south along said centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive to the easterly prolongation of the southern property line of APN 4286010044; thence west along said southern property line of said APN 4286010044 to the centerline of Douglas Place; thence south along said centerline of Douglas Place to the centerline of Brooks Avenue; thence west along said centerline of Brooks Avenue to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney to the centerline of Westminster Avenue; thence east along said centerline of Westminster Avenue to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Clubhouse Avenue; thence east along said centerline of Clubhouse Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Thornton Place; thence west along said centerline of Thornton Place to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Rose Avenue; thence west along said centerline of Rose

Avenue to the southerly prolongation of the western property line of APN 4286017093; thence north along said western property line of said APN 4286017093, crossing Navy Street and continuing along the western property line of APN 4288006013 to its intersection with the northern property line of said APN 4288006013, the point of beginning for Zone 2.

District Boundary Rationale:

Western Boundary: The western boundary of the District is geographically determined by the Venice public beach and the Pacific Ocean. All parcels along the western boundary are government owned parcels (City of Los Angeles and State of California). It is noted that the westerly boundary line is irregular in that it includes only land portions developed with either public uses (such as sports/recreation venues, parks and public parking) or land areas occupied by or available for business concessions and kiosks. Sand/beach portions of the government owned parcels along the western boundary are not included in the District. In order to ensure that parcels west of the western boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided west of the western boundary, only to assessed parcels east of the western boundary within the District.

Northern Boundary: The northern boundary of the District is geographically determined by the City of Los Angeles City - City of Santa Monica boundary line. Per State PBID Law, parcels outside of one City cannot, without consent of the other City Council, be included within a business improvement district. Since there is no such consent by the City of Santa Monica, parcels located within the City of Santa Monica are not included in the District. No direct or tangible District funded services and improvements will be provided to parcels within the City of Santa Monica nor will any special benefits be conferred upon them. In order to ensure that parcels north of the northern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided north of the northern boundary, only to assessed parcels south of the northern boundary within the District.

Eastern Boundary: The eastern boundary of the District is irregular, but generally coincides with where commercial and industrial zoned parcels end and parcels zoned solely residential begin. This boundary includes contiguous parcels that are zoned as commercial, industrial and/or open space and excludes all parcels zoned solely residential and presumed by State Law not to benefit from District improvements or activities.

In addition, there are 3 commercial zoned parcels tangent to assessed parcels within the District but outside the City limit. The District is surrounded by 25 commercial zoned parcels with commercial uses located across streets or alleys on the perimeter of the District. These lie

primarily to the east and north of the District and are not included because they are not part of the Venice Beach area.

In order to ensure that parcels east of the eastern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided east of the eastern boundary, only to assessed parcels west of the eastern boundary within the District.

Southern Boundary: The southern boundary generally coincides with the centerline of South Venice Beach Boulevard and is determined by zoning and land uses where properties located to the south of the southern District boundary are zoned solely residential with residential land uses while those north of the southern boundary are primarily government owned parcels zoned with some commercial parcels. The government owned parcels include a Los Angeles Public Library parcel, which is included in the proposed District because, in addition to the Library, it also contains a large open space area (pocket park and pedestrian/jogging/biking/skateboarding path) along Venice Boulevard, which is one of the primary gateways to Ocean Front Walk and Venice Beach. State of California Streets and Highways Code Section 36632(c) conclusively presumes that properties zoned solely residential do not benefit from the improvements and service funded through District assessments, cannot be assessed and, thus, are not included in the District. In order to ensure that parcels south of the southern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided south of the southern boundary segments, only to assessed parcels north of the southern boundary within the District.

Each boundary includes all of the contiguous parcels that are zoned as either commercial, industrial and/or open space within the Venice Beach area, and excludes all parcels zoned solely residential and presumed by State Law not to benefit from District funded services and improvements.

There are two benefit zones in the District.

Benefit Zone 1 Rationale:

- Zone 1 includes the tourist-related commercial core of Venice Beach (i.e. Ocean Front Walk, Windward Avenue and extensive parking lots along North and South Venice Boulevards which are utilized primarily by beachgoers and Boardwalk patrons) and consists of commercial, industrial and open space zoned properties. The Ocean Front Walk, the adjacent grassy knoll and beach, as well as restrooms, parking lots, and maintenance facilities are among the most heavily utilized public facilities in the U.S., and constitute as significant a part of Venice's attractions as the hotels, shops, restaurants and other local businesses that also populate the area. Ownership of this public beachfront property is divided between the City of Los Angeles and the State of

California. The state-owned property has been operated under the auspices of the City of Los Angeles pursuant to an agreement signed in 1948. The City maintains full operational control of the state-owned property, and the State is not involved in its operation or management. The City is responsible for the District assessment for the state-owned property. Zone 1 has heavily-utilized bus stops connecting transit riders to adjacent communities in Los Angeles, Santa Monica, Culver City and Marina del Rey. Tourist related activity and pedestrian traffic is highest Zone 1, and thus these parcels require the highest level of District programs and services (twice the clean and safe service frequencies as Zone 2 parcels). Zone 1 parcels will receive 100% of their proportionate special benefit from Zone 1 District funded levels of services and will be assessed at the rate of \$0.08 per square foot of building area, \$0.11 per square foot of parcel land area and \$29 per linear foot of street frontage as delineated in this Report. These rates and the resulting Zone 1 assessment revenue are reflected in the budget allocation of funds for Zone 1 and the corresponding proportionate special benefits conferred on Zone 1 parcels.

Benefit Zone 2 Rationale:

- Zone 2 includes the secondary retail and tourist-related business corridors of Venice Beach (i.e. Main Street, Hampton Avenue and 3rd Avenue) and consists of commercial, industrial, and open space zoned properties. Zone 2 also contains one large parcel at the southeast end of the proposed District, which contains the Venice Branch of the Los Angeles Public Library. This parcel is included in Zone 2 because its hours of operation and service level needs are compatible with Zone 2 uses (in contrast to the government owned parcels that lie immediately west of the library, which represent paid parking lots and uses directly tied to Ocean Front Walk, the public park and beach areas, and whose hours of operation and service level needs are compatible with Zone 1 uses.) Please see p. 22 of the Service & Improvement Plan for more discussion of the services provided in Zone 1 and Zone 2. Tourist-related activity and pedestrian traffic is significantly lower in Zone 2 as compared to Zone 1, and thus these parcels require a lower level of District programs and services (50% of the clean and safe service frequencies as Zone 1 parcels). Zone 2 parcels will receive 100% of their proportionate special benefit from Zone 2 District funded levels of services and will be assessed at the rate of \$0.08 per square foot of building area, \$0.11 per square foot of parcel land area and \$14.50 per linear foot of street frontage as delineated in this Report. These rates and the resulting Zone 2 assessment revenue are reflected in the budget allocation of funds for Zone 2 and the corresponding proportionate special benefits conferred on Zone 2 parcels.

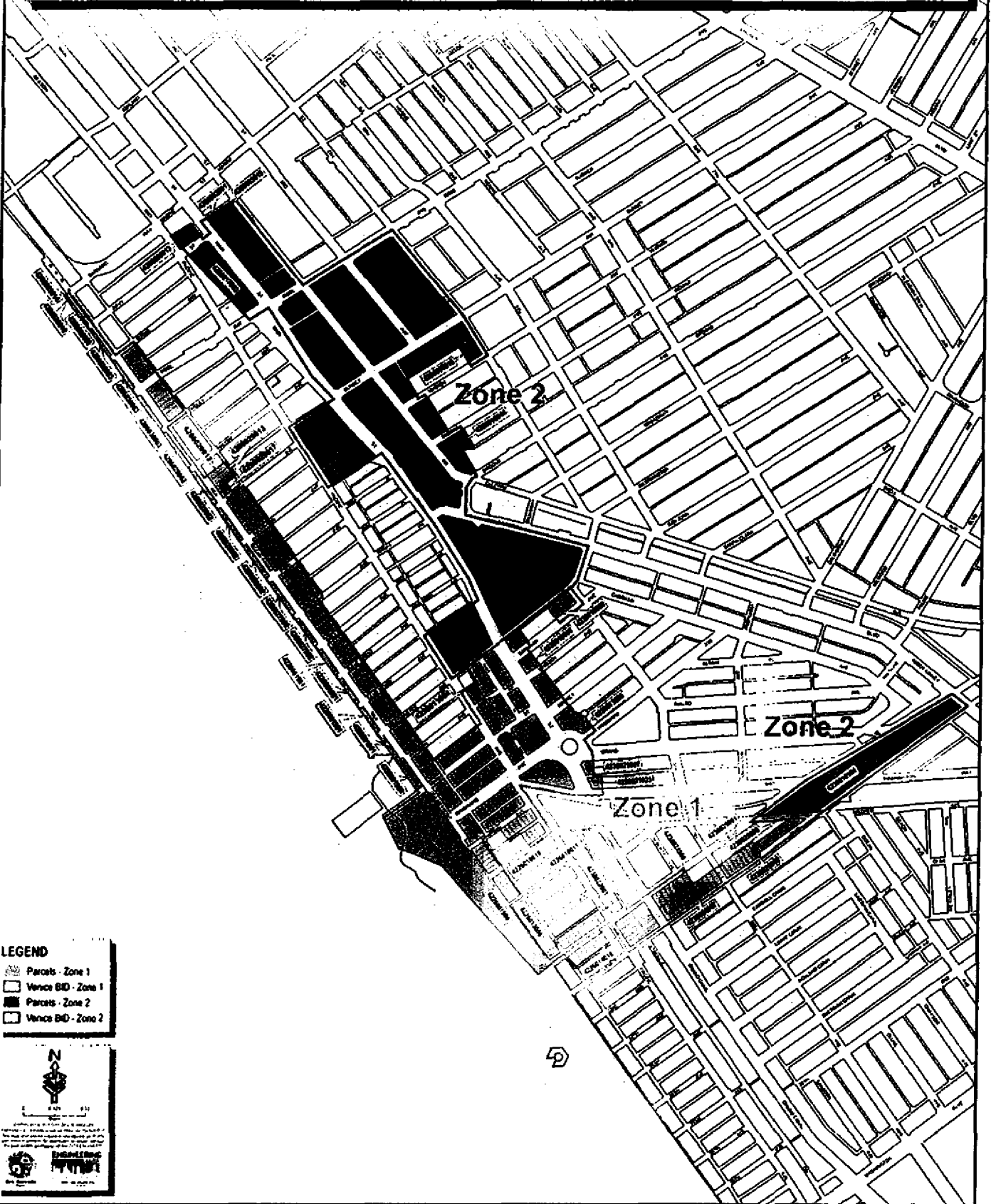
2b Boundary: Map

(next page)

The following text is extremely faint and illegible. It appears to be a list or a series of short paragraphs, but the content cannot be discerned.

Proposed Venice Beach BID

City of Los Angeles



LEGEND

- Parcels - Zone 1
- Venice BID - Zone 1
- Parcels - Zone 2
- Venice BID - Zone 2



3 Service & Improvement Plan

As determined by the District Steering Committee through surveys, discussion and refinement, the top priority for the District at the time of formation is the “clean and safe” programming. The second priority for the property owners is administration and management. The Steering Committee viewed a highly professional full-time management team as essential to the implementation and oversight of all other priorities. A more distant third priority is district identity and special projects (website, newsletters, social media and other marketing and business attraction and promotion efforts.) The group agreed on these initial priorities for the District; this created a basis for the budget for the District, which was developed by consultation with clean and safe program providers, discussing administrative staff levels, examining salary comps for similar BIDs in Los Angeles, and analyzing the services and budgets of other districts in LA. It was agreed that the priorities should be comprehensively reassessed upon any renewal of the District.

Definition of Special and General Benefits: As stipulated by Proposition 218, assessment district programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. A “general benefit” is defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied.” A “special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. Special and general benefits are discussed in greater detail on p. 12 of the Engineer’s Report.

There are three categories of special benefit services that will be funded with the District. All of these services shall be provided only to those parcels in the District, and shall be provided consistent with the individual assessment for that parcel. The categories of special benefits are as follows:

<i>1) Clean & Safe Programs</i>	<i>\$1,365,917</i>	<i>73%</i>
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Clean encompasses all sidewalk, curb and other right-of-way services in the District and includes: sweeping, litter removal, bulky item removal, enhanced emptying of trash cans, pressure washing/steam cleaning, graffiti/flyer/sticker/gum removal, tree trimming and weeding. Clean also includes the cost of equipment necessary to provide these services. Clean may also include property owner notification of conditions on private property that are unsafe or unfavorable to creating and preserving a clean and safe environment in the District (e.g. broken window/gate, vandalism, accumulated debris/garbage, etc.) Clean may also include

notification to the City or other entities as appropriate (e.g. utilities) of any damage to public infrastructure or utilities.

Safe encompasses all patrol/ambassadorial services in the District and includes: personnel on foot, bike, or other vehicles (e.g. segways, trucks, etc.), ambassadors (specially trained personnel able to provide directions, transit information, business information, event information, social service referrals, etc.), emergency assistance, crowd control, crime prevention activities (e.g. Neighborhood Watch), escort services and distribution of special bulletins (e.g. street closures, emergency alerts.) *Safe* also includes the cost of equipment necessary to provide these services.

The goal of both clean and safe programs is the same: to establish and maintain a clean, safe, beautiful and welcoming District by providing these services to all the individually assessed parcels in the District. Ongoing homeless outreach and social service referrals are expected to be a significant component of the clean and safe program. The District may identify social service partner(s) to implement their homeless outreach program. The special benefits conferred by these programs are discussed later in this section. Various levels of clean and safe activities will be required over time to maintain the District.

To assist the Owners' Association in budgeting and the deployment of resources, an incident-tracking software/database will be developed to track calls for clean and safe services for individually assessed parcels in the District. This data will help ensure that negative public safety trends are identified quickly and can be addressed efficiently and effectively so that crime, litter and blight do not deter pedestrian activity and commerce.. The database will be developed and expanded as funds are available to implement this goal.

Zone 1 shall receive twice the frequency of clean and safe services as Zone 2. Although the future Board of Directors shall consider and approve the actual deployment schedule, in general, Zone 1's highest demand for services occurs from late morning through the night. Zone 2's highest demand for clean and safe services occurs in the early morning and the early evening, with notably lesser needs during the day and night. Also, Zone 1's service demand fluctuates more day-to-day (with highest demands occurring Thursday – Saturday afternoon/evening/night, on holidays, and seasonally, from Spring through Fall.) Zone 2's service demand is much more consistent across each day of the week, and throughout the year. Zone 1's needs are most heavily determined by intense visitor/tourist traffic which peaks in the warmer months, and on weekends throughout the year. Zone 2's needs are more driven by local employees, residents and visitors; tourism is a factor, but plays a much smaller role in Zone 2 demand.

"Clean" programs will assist in enhancing the image of each individual assessed parcel in the District. For commercial and industrial parcels "clean" programs are designed to increase

vehicular and pedestrian traffic within the District that is intended to increase commerce and customer activity, attract and retain new business and patrons for assessed commercial and industrial parcels within the District boundaries, and may increase commercial/industrial rents and occupancies. In the case of assessed Government owned parcels and facilities, District funded “clean” programs provide cleaner entrances and perimeters for their employees, students, visitors, vendors and users of these public facilities. Further, in the case of assessed commercially- or industrially-zoned residential uses, District funded “clean” programs improve the aesthetic appeal of each assessed residential type parcel for tenants, visitors and landlords, which, in turn, is intended to increase residential occupancies and return on investment.

“Safe” programs will assist in creating a safer and more secure environment for each individual assessed parcel in the District. For commercial and industrial parcels, District funded “safe” programs are designed to increase vehicular and pedestrian traffic, increase commerce and customer activity, attract and retain new business and patrons, as well as increase commercial rents and commercial occupancies for the assessed parcels commercial and industrial parcels within the District boundaries. In the case of assessed Government owned parcels and facilities, District funded “safe” programs and are designed to provide safer entrances and perimeters of Government owned parcels and facilities for their employees, students, visitors, vendors and users of these public facilities. Further, in the case of assessed commercially- or industrially-zoned residential uses, District funded “safe” programs are designed to improve the security of each residential type parcel for tenants, visitors and landlords, which, in turn, is intended to increase residential occupancies and return on investment. Each assessed parcel will proportionally specially benefit from the security programs and services.

2) *Administration, Management & City Fees* \$374,224 20%

Administration & Management includes activities such as: personnel, operations, professional services (e.g. legal, accounting, insurance), production of the Annual Planning Report and Budget and quarterly reports, facilitation of meetings of the Owners’ Association, Brown Act compliance, outreach to District property and business owners, and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District formation, as well as City and/or County fees associated with their oversight of the District and the Owners’ Association’s compliance with the terms of its contract with the City, and the implementation of the Management District Plan and the Engineer’s Report.

This component is key to the proper expenditure of District assessment funds and the administration of District programs and activities that are intended to promote business within the District boundaries through increased commerce and the attraction and retention of new business. The District Program Management program exists only for the purposes of the

District and will only be provided for matters pertaining to each individual assessed parcel within the District boundaries. All parcels and land use types within the District will specially benefit from this key program element which supports each of the special benefits conferred by each of the program elements described above.

3) *District Identity & Special Projects*

\$130,978

7%

District Identity & Special Projects includes activities such as: production of a quarterly (minimum frequency) newsletter that shall be distributed to all property owners in the District, efforts to cultivate and recognize the satisfaction, retention and attraction of businesses, employees and customers/visitors, advertising, response to media inquiries, cultivation of media exposure, and promotion of the District as a great place to live, work or visit through a website and/or social media. To the extent that funds are available, it could also include holiday lighting, street banners, wayfinding activities, art installation or development of special events (e.g. festival) or other community identity and branding efforts that promote the District, its residents, businesses, services and amenities.

This component, district identity & special projects, is designed to specially benefit and improve the marketability of the array of goods and services provided by businesses on each identified and assessed parcel within the District. This special benefit program is designed to attract more commercial customers and clients, employees, tenants and investors which may, in turn, increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments for each commercial/industrial parcel and business within the District. Some government owned/occupied parcels and facilities will not specially benefit from this program element and thus, shall not be assessed for these programs. Government owned/occupied parcels and facilities (except select parcels which have commercial operations such as paid public parking) will not specially benefit from this program element and thus, shall not be assessed for these programs. This is discussed in more detail on p. 30 of this Plan. District Identity and Special Projects will only be provided for those individually assessed parcels located within the District boundaries.

All identified parcels within the District boundaries shall be assessed to fund special benefit programs, services and improvements as outlined in this Management District Plan as well as the Engineer's Report. Each identified parcel within the District shall pay its proportional share of assessments to fund the special benefits to be conferred on that specific parcel. These benefits are particular and distinct to each and every assessed parcel within the District and are not provided to non-assessed parcels outside of the District. Because these programs, services and improvements will only be provided to each individual assessed parcel within the District boundaries, these programs, services and improvements will constitute "special benefits." The City of Los Angeles does not provide these special benefit programs and services, which are above and beyond the existing services that the City provides and will continue to provide.

District services, programs and improvements will only be provided to these individually assessed parcels inside the District boundaries and none will be provided outside of the District boundaries. These programs and services support improved commerce, increased employment, business attraction and retention, increased property rental income, and an increase in service-oriented businesses such as restaurants and retail, which represent desired amenities within the District, and desirable tenants for the individually assessed parcels within the District. They also improve livability for patrons, visitors, employees and residents within the District by reducing crime, litter and debris, all considered detractions if not contained and properly managed. All services enhance the image and viability of the individually assessed parcels within the District.

Additional Information: Service demands may vary year-to-year. The decisions to prioritize one special benefit within a particular budget category over another will be reviewed and decided by the Owners' Association year-by-year. For example, clean services may be the greater priority in year one; safe services may be the greater priority in year two. The goal of a clean and safe District is constant; the type and frequency of specific services necessary to achieve this goal may vary based on special benefit needs. Similarly, actual service hours and deployment schedules may vary during the year in order to best meet the needs of the District. For example, as a new district, intensive cleaning may be the highest initial priority in the first few quarters of operation. Getting the District to a desirable baseline of cleanliness and maintaining that baseline is viewed by the District Steering Committee as an essential foundation for all other District activities.

The Owners' Association Board of Directors will develop and refine a detailed operation deployment schedule; upon establishment of the District and commencement of services, property owners may request copies of the annual planning report, quarterly reports and a current deployment schedule from the Owners' Association to fully understand the current type and schedule of services and improvements in the District.

Market costs for services and improvements may vary from year-to-year; budget categories may vary by up to 10% per category, by line item. Changes will be documented in the Annual Planning Report which is submitted to the City by the District Owners' Association. This allows for some limited flexibility to respond to changing market costs for various services or improvements.

Lastly, resources permitting, the District may pursue any grant funding for which it is eligible in order to augment any or all of these budget categories.

General Benefits: The total service and improvement plan budget for 2017 is \$1,871,119. Property assessments shall fund \$1,852,408. The Engineer identified a general benefit factor of 0.86% which has been conservatively rounded up to 1% and which equates to a general benefit

value of \$18,711 in the 2017 (Year 1) budget. A more detailed discussion of general benefit can be found in the Quantitative Benefit Analysis section of the Engineer’s Report, beginning on p. 12.

For a table showing the annual budget totals for Year 1 (2017) through Year 5 (2021) and a breakdown of special + general benefit allocations/costs, please see the table on p. 4.

4 Assessment Methodology

There are two benefit zones in the District. In Zone 1, all assessable commercial, industrial and government-owned parcels shall be assessed \$0.08 per square foot (SF) of building, \$0.11 per SF of lot, and \$29 per linear foot (LF) of frontage. In Zone 2, all assessable commercial, industrial and government-owned parcels shall be assessed at \$0.08 per square foot (SF) of building, \$0.11 per SF of lot, and \$14.50 per LF of frontage. Zone 1 shall receive twice the frequency of clean & safe services as Zone 2. More detail is provided in the Service & Improvement Plan on pp. 21-24 and in the Work Plan in the Engineer’s Report on pp. 19-23. Each individually assessed parcel in the District shall receive special benefits from all services proportional to its assessment. Identified select government owned parcels are deemed to not benefit from district identity and special projects as explained in the Service & Improvement Plan, p. 24 and in the Engineer’s Report, p. 30. The Engineer’s Report has calculated a general benefit value of 1% (\$18,711 in 2017) which shall be derived from non-assessment revenue sources.

See the Service & Improvement Plan, p. 21 of this Report, and the Quantitative Benefit Analysis section, p. 12 of the Engineer’s Report, for a definition of special vs. general benefits, an explanation of the method used to calculate general benefits, and an explanation of the special benefits to be conveyed for each of the various land use categories.

Total Assessment Revenue for the District (2017)

District Totals	Unit	Rate	Total Assessment Revenue (2017)
1,951,171	SF	\$0.08	\$156,094
3,293,946	SF	\$0.11	\$362,334
56,965	LF	\$29/\$14.50	\$1,333,980
			\$1,852,408

Total Assessment Revenue for Zone 1 (2017)

Zone 1 Totals	Unit	Rate	Total Assessment Revenue (2017)
896,513	SF	\$0.08	\$71,721
1,616,751	SF	\$0.11	\$177,843
35,034	LF	\$29.00	\$1,015,971
			\$1,265,535

Total Assessment Revenue for Zone 2 (2017)

Zone 2 Totals	Unit	Rate	Total Assessment Revenue (2017)
1,054,658	SF	\$0.08	\$84,373
1,677,195	SF	\$0.11	\$184,491
21,932	LF	\$14.50	\$318,008
			\$586,872

Commercial, Industrial and Government Parcel Assessments: All assessable commercial, industrial and government parcels shall be assessed on a combination of building and lot and linear frontage. In Zone 1, each assessable commercial, industrial or government parcel shall be assessed at a rate of \$0.08 per square foot of building, and \$0.11 per square foot of lot, and \$29 per linear foot of frontage. In Zone 2, each assessable commercial, industrial or government parcel shall be assessed at a rate of \$0.08 per SF and \$0.11 per square foot of lot, and \$14.50 per linear foot of frontage.

Commercial, industrial or government assessable parcel example:

A property owner has a 2,700 SF commercial, industrial or government building on a 5,000 SF lot with 150 linear feet of frontage, located in Zone 1. The owner's annual assessment would be calculated as follows:

ZONE 1 EXAMPLE

2,700 x \$0.08/square foot (bldg)	=	\$ 216.00
5,000 x \$0.11/square foot (lot)	=	\$ 550.00
150 x \$29/linear foot (frontage)	=	\$4,350.00
TOTAL ASSESSMENT	=	\$5,116.00

ZONE 2 EXAMPLE

A property owner has a 2,700 SF commercial, industrial or government building on a 5,000 SF lot with 150 linear feet of frontage, located in Zone 2. The owner's annual assessment would be calculated as follows:

2,700 x \$0.08/square foot (bldg)	=	\$ 216.00
5,000 x \$0.11/square foot (lot)	=	\$ 550.00
<u>150 x \$14.50/linear foot (frontage)</u>	=	<u>\$2,175.00</u>
TOTAL ASSESSMENT	=	\$2,941.00

Rationale for Commercial, Industrial and Government Parcel Assessments: For commercial, industrial, government and mixed-use parcel types, the interactive application of building and land areas and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of District-funded services, programs and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from District funded activities.

Future development: Other than future maximum rates and the assessment methodology delineated in this Management District Plan (MDP), per State Law (Government Code Section 53750,) future assessments may change for any given parcel if such a change is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity or nature of use of the land. Any change in assessment formula methodology or rates other than as stipulated in this MDP would require a new Proposition 218 ballot procedure in order to approve any such changes.

If a residentially-zoned parcel within the District boundaries is rezoned to R4, R5, commercial, industrial or open space, the parcel shall be neither assessed or serviced during the term of the District, but will likely be included upon any renewal of the District. Each year, any commercial, industrial, open space, R4, or R5 zoned parcel within the District boundaries that is rezoned to residential (R3 or below) shall be removed from the assessment roll and shall no longer receive the services or special benefits outlined in this Management District Plan.

Time and manner of collecting assessments: Each property owner within the District must pay his District assessment. The "property owner" means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

The District assessments shall typically appear as a separate line item on the property tax bills issued by the Los Angeles County Assessor. For any property owner whose special assessment does not appear on the tax rolls in any given year, the Los Angeles City Clerk may prepare a manual billing in lieu of the assessment's inclusion on the Assessor's property tax bills. Any

delinquent assessments owed for a year for which the City billed will be added to the County property tax roll for the following year.

The assessments shall be collected at the same time and in the same manner as the ad valorem property tax that is paid to the County of Los Angeles. These assessments carry the same lien priority and penalties for delinquent payment as the ad valorem property tax.

Errors: If a property owner believes there is an error on a parcel's assessed footages, the District may confirm the data with the LA County Assessor's office. The property owner may opt to work with the Assessor's office to correct the data so that the District assessment may be adjusted to the correct rate.

5 District Rules

A Business Improvement District (BID) may establish unique rules and regulations that apply to the District. The District has not adopted any specific rules.

Bond Issuance: The District shall not issue bonds.

6 Implementation Timeline

In accordance with State law, the District will have a five-year life from January 1, 2017 to December 31, 2021. The District is expected to begin services on or shortly after January 1, 2017. If the District is not renewed, services will sunset on December 31, 2021.

7 Public Sector Participation

The District will provide the same level of improvements and activities to the City of Los Angeles or any other identified government-owned parcels within the PBID boundary as are provided to non government-owned parcels. All government owned identified parcels will pay their proportional share of costs based on the special benefits conferred to those individual parcels. The special benefit to government assessed parcels from these services is an increase in District customers, and an increased likelihood of attracting and retaining employees that follow from having a cleaner and safer area. Government owned parcels will receive special benefit in the form of increased use of the public facilities, increased attraction and retention of employees,

and safer access to their facilities, which directly relates to fulfilling their public service mission. Article XIII(D) of the California Constitution was added in November of 1996 to provide for these assessments. It specifically states in Section 4(a) that *"Parcels within a district that are owned or used by any agency...shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit."*

There are 33 identified and assessed Government owned parcels within the District for which District funded special benefit programs, services and improvements will be provided. Of the 33 assessed Government owned parcels, 24 are owned by the City of Los Angeles, 7 by the State of California, 1 by the Los Angeles Unified School District (LAUSD), and 1 by the Metropolitan Transit Authority (LACMTA).

City, State and MTA Properties

For Government owned/occupied parcels and facilities within the District (other than as delineated herein for LAUSD property), each of these parcels specially benefit from District funded programs, services and improvements, but differently than commercial/industrial parcels, the special benefits include cleaner and safer facility entrances and perimeters for their employees, students, visitors, vendors and other users of these public locations and facilities. It is the opinion of the Engineer that Government owned and occupied parcels will NOT benefit from commercial oriented district identity and special project related programs and, thus, will not be assessed for them.

Several City and State-owned parcels and one Metro-owned parcel within the District have been identified as parcels that shall not benefit from the District Identity & Special Projects category. These parcels include all of parcels fronting Ocean Front Walk, an access-way to the Venice canals, a dog park, a senior center and a bus maintenance yard that do not benefit from the marketing and promotion of the district. All of the City-owned parcels and State-owned parcels fronting Ocean Front Walk comprise the Venice Boardwalk and the beachfront property to the west of the Boardwalk. These parcels are collectively operated as a free public park, and so do not benefit from the marketing and promotion of the District or increased visitors to the area. Similarly, the pedestrian access-way to the Venice Canals, the dog park and the Senior Center do not benefit from increased visitors. Metro (the LA County regional transportation agency) owns and operates a bus maintenance yard in the District. As regional public transit operates with subsidies and does not make a profit, it also does not benefit from increased patronage due to marketing and promotion of the District. None of these public uses benefit from increased visitor and patron traffic in the way that commercial businesses and certain other public uses in the District (e.g. paid parking lots) do.

This finding is reflected in a modified assessment rate for these parcels that eliminates the budgetary allocation for district identity and special project programs (7%.) These parcels are identified in the table on p. 33. It is further the opinion of the Engineer that Government owned parcels and facilities within the District will specially benefit from “clean and safe” programs and related management, similar to the special benefits conferred on commercial/industrial parcels. These Government owned parcels will be assessed for 100% of the proportionate special benefits conferred upon them. It is noted that the property quantities for these parcels have been adjusted in the District totals in order to apply the equivalent proportionate assessment rates.

For Government owned parcels with commercial activities or uses on them (i.e. paid public parking, vendor space, pay to play recreation facilities, etc.), it is the opinion of the Assessment Engineer that these parcels will specially benefit from District funded programs, services and improvements, including district identity and special project programs and shall be assessed in a similar manner and at the same rates as commercial/industrial parcels in the District. These Government owned parcels will be assessed for 100% of the proportionate special benefits conferred upon them. These parcels are also identified in the table on p. 33.

It is noted that the City-owned parcels along Ocean Front Walk shall receive full clean and safe and management services for all boardwalk frontage, all improvements (restrooms, buildings,) all paved/concrete areas (walkways, etc) and the extensive grassy knoll that abuts Ocean Front Walk. Any sand portion of these parcels shall not be patrolled and serviced nor, in turn, assessed.

LAUSD Property

Based on a review of streetscape and security services that the Los Angeles Unified School District (LAUSD) provides for the 1 parcel (elementary school) that they own and occupy within Zone 2 of the District, coupled with the finding that government owned and occupied parcels do not benefit from district identity and special project programs, it is the opinion of the Engineer that assessment formula rates for this parcel shall be as follows: 1) The building area rate shall be set at \$0.032 per square foot, the street frontage rate shall be set at \$5.80 per linear foot and the land area rate shall be set at \$0.0275 per square foot. These assessment rates fund supplemental District streetscape and security services that coincide with the levels of perimeter streetscape and security services already provided by LAUSD for the 1 parcel that they own within the District. The special benefits include cleaner and safer facility entrances and perimeters for their employees, students, visitors, vendors and other users of this public facility. Although the LAUSD parcel requires a different frequency of services than other individually assessed parcels in the district, the LAUSD parcel will pay for 100% of the proportionate special benefits conferred upon it. It is noted that the property quantities for

this parcel have been adjusted in the District totals in order to apply the equivalent proportionate assessment rates.

Each identified and assessable Government owned parcel within the District will proportionately specially benefit as delineated herein from the District funded supplemental clean and safe and management programs, services and improvements. For identified assessable Government owned parcels and facilities, each of these parcels specially benefit from District funded programs and services from cleaner and safer facility entrances and perimeters for their employees, students, visitors, vendors and other users of these public locations and facilities. These services are designed to improve the safety and cleanliness for visitors, their employees and users of public facilities on Government owned parcels within the District by reducing crime, litter and debris, all considered detractions to employment, visitation and use of public facilities if not contained and properly managed.

There is no compelling evidence that these identified and assessed Government owned parcels would not proportionately specially benefit from District funded programs, services and improvements and, thus, will be assessed as delineated herein. All identified and assessed Government owned parcels within the District are shown in the table below.

See pp. 24-27 of the Engineer's Report for additional detail on government owned parcels.

Government Owned Parcels within District Boundaries

Zone	APN	Parcel Address	Property Owner	Use	Assessed for DI/SP?*	% of lot assessed? **	Parcel Assessment	% Ownership
Zone 1	4288029900	NONE	CITY OF LOS ANGELES	PUBLIC PARK / BEACH	NO	0%	\$1,074.75	0.06%
Zone 1	4226001900	26 W MARKET ST	L A CITY	PUBLIC PARK / BEACH	NO	67%	\$51,978.98	2.81%
Zone 1	4226001901	NONE	L A CITY	PUBLIC PARK / BEACH	NO	20%	\$30,484.93	1.65%
Zone 1	4226002900	2300 OCEAN FRONT WALK	L A CITY	PUBLIC PARK / BEACH	NO	25%	\$71,432.90	3.86%
Zone 1	4238014900	1608-1610 S PACIFIC AVE	L A CITY	VACANT/COMMERCIAL	YES	100%	\$7,440.29	0.40%
Zone 1	4238024900	2102 S PACIFIC AVE	L A CITY	PUBLIC PARKING	YES	100%	\$16,166.65	0.87%
Zone 1	4238024902	128 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$8,215.66	0.44%
Zone 1	4238024903	206 N VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$2,943.42	0.16%
Zone 1	4238024905	216 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$2,629.74	0.14%
Zone 1	4238024906	302 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$1,314.87	0.07%
Zone 1	4238024907	319 E SOUTH VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$24,976.40	1.35%
Zone 1	4238024908	2106 S CANAL ST	L A CITY	PUBLIC PARKING	YES	100%	\$4,069.87	0.22%
Zone 1	4238024909	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$703.20	0.04%
Zone 1	4238024910	210 N VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$1,314.87	0.07%
Zone 1	4238024911	125 S VENICE BLVD	L A CITY	CANAL ACCESSWAY	NO	100%	\$4,456.56	0.24%
Zone 1	4238025901	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$4,073.60	0.22%
Zone 1	4238025902	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$22,171.43	1.20%
Zone 1	4238025903	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$6,582.00	0.36%
Zone 1	4286027902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	20%	\$17,050.35	0.92%
Zone 1	4286028902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	5%	\$13,038.98	0.70%
Zone 1	4286029902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	10%	\$17,922.96	0.97%
Zone 1	4286030903	NONE	L A CITY	PUBLIC PARK / BEACH	NO	60%	\$26,849.63	1.45%
Zone 2	4238018900	NONE	L A CITY	PUBLIC PARKING, LIBRARY	NO	100%	\$62,098.43	3.35%
Zone 2	4238002900	1234 S PACIFIC AVE	L A CITY	DOG PARK / SENIOR CTR	NO	100%	\$27,614.22	1.49%
L A CITY TOTAL							\$426,604.68	23.04%
Zone 2	4238002902	1010 ABBOT KINNEY BLVD	L A UNIFIED SCHOOL DIST	WESTMINSTER ELEMENTARY	n/a	n/a	\$24,020.88	1.30%
L A UNIFIED SCHOOL DIST TOTAL							\$24,020.88	1.30%
Zone 2	4286015900	100 SUNSET AVE	LACMTA	BUS MAINTENANCE & STORAGE YARD	NO	100%	\$35,933.09	1.94%
LACMTA TOTAL							\$35,933.09	1.94%
Zone 1	4226001902	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	100%	\$10,409.51	0.56%
Zone 1	4226001903	1502-1522 S OCEAN FRONT WALK	STATE OF CALIF	PUBLIC PARK / BEACH	NO	100%	\$20,722.86	1.12%
Zone 1	4288029909	120 OCEAN FRONT WALK	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$5,091.40	0.27%
Zone 1	4288029910	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$750.58	0.04%
Zone 1	4288029916	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$0.00	0.00%
Zone 1	4288029906	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$0.00	0.00%
Zone 1	4288029914	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$333.89	0.02%
STATE OF CALIF TOTAL							\$37,308.23	2.01%
ALL PUBLICLY OWNED PARCELS							\$523,866.88	28.29%

8 Parcel Roll

The following table shows the assessment roll for 2017.

Zone	AIN	SA House Number	SA Direction	SA Street Name	SA Unit	Assessment	%
Zone 1	4226001900	26	W	MARKET ST		\$51,978.98	2.81%
Zone 1	4226001901	NONE		NONE		\$30,484.93	1.65%
Zone 1	4226001902	NONE		NONE		\$10,409.51	0.56%
Zone 1	4226001903	1502-1522	S	OCEAN FRONT WALK		\$20,722.86	1.12%
Zone 1	4226002900	2300		OCEAN FRONT WALK		\$71,432.90	3.86%
Zone 1	4226003001	2		BREEZE AVE		\$7,226.64	0.39%
Zone 1	4226003004	1011		OCEAN FRONT WALK		\$9,578.61	0.52%
Zone 1	4226003037	1007		OCEAN FRONT WALK		\$5,612.75	0.30%
Zone 1	4226004001	1101		OCEAN FRONT WALK		\$22,495.68	1.21%
Zone 1	4226005001	1201		OCEAN FRONT WALK		\$8,927.97	0.48%
Zone 1	4226005004	1217		OCEAN FRONT WALK		\$7,538.96	0.41%
Zone 1	4226005023	1211		OCEAN FRONT WALK		\$5,617.07	0.30%
Zone 1	4226006001	1301		OCEAN FRONT WALK		\$6,338.32	0.34%
Zone 1	4226006002	1305		OCEAN FRONT WALK		\$3,614.93	0.20%
Zone 1	4226006003	1307		OCEAN FRONT WALK		\$2,980.13	0.16%
Zone 1	4226006004	1313		OCEAN FRONT WALK		\$9,154.85	0.49%
Zone 1	4226007001	1401		OCEAN FRONT WALK		\$8,860.13	0.48%
Zone 1	4226007002	1415		OCEAN FRONT WALK		\$11,412.02	0.62%
Zone 1	4226007006	41		MARKET ST		\$2,181.08	0.12%
Zone 1	4226007007	45		MARKET ST		\$2,200.28	0.12%
Zone 1	4226007008	51		MARKET ST		\$2,290.76	0.12%
Zone 1	4226007009	57		MARKET ST		\$2,212.28	0.12%
Zone 1	4226007010	69		MARKET ST		\$4,436.56	0.24%
Zone 1	4226007011	73		MARKET ST		\$8,661.59	0.47%
Zone 1	4226007023	21		MARKET ST		\$9,285.02	0.50%

Zone 1	4226008001	1501		OCEAN FRONT WALK		\$5,432.88	0.29%
Zone 1	4226008002	1505		OCEAN FRONT WALK		\$2,069.80	0.11%
Zone 1	4226008003	14		MARKET ST		\$2,144.55	0.12%
Zone 1	4226008004	34		MARKET ST		\$2,036.80	0.11%
Zone 1	4226008005	38		MARKET ST		\$4,505.60	0.24%
Zone 1	4226008006	52		MARKET ST		\$2,245.44	0.12%
Zone 1	4226008007	60		MARKET ST		\$2,280.75	0.12%
Zone 1	4226008008	64		MARKET ST		\$2,353.78	0.13%
Zone 1	4226008009	72		MARKET ST		\$2,303.73	0.12%
Zone 1	4226008010	76		MARKET ST		\$2,252.64	0.12%
Zone 1	4226008011	1501		PACIFIC AVE		\$5,681.01	0.31%
Zone 1	4226008012	1509	S	OCEAN FRONT WALK		\$2,415.00	0.13%
Zone 1	4226008013	1513	S	OCEAN FRONT WALK		\$9,110.00	0.49%
Zone 1	4226008014	23		WINDWARD AVE		\$7,111.23	0.38%
Zone 1	4226008015	29		WINDWARD AVE		\$3,405.99	0.18%
Zone 1	4226008016	43	E	WINDWARD AVE		\$1,706.37	0.09%
Zone 1	4226008017	47	E	WINDWARD AVE		\$1,709.19	0.09%
Zone 1	4226008018	51		WINDWARD AVE		\$1,711.21	0.09%
Zone 1	4226008021	75		WINDWARD AVE		\$8,378.80	0.45%
Zone 1	4226008022	NONE		NONE		\$345.00	0.02%
Zone 1	4226008023	20	E	MARKET ST		\$4,647.00	0.25%
Zone 1	4226008024	57-67		WINDWARD AVE		\$7,825.45	0.42%
Zone 1	4226009001	NONE		NONE		\$14,963.79	0.81%
Zone 1	4226009012	66		WINDWARD AVE		\$2,042.48	0.11%
Zone 1	4226009013	64		WINDWARD AVE		\$1,848.28	0.10%
Zone 1	4226009014	52		WINDWARD AVE		\$3,995.98	0.22%
Zone 1	4226009015	40		WINDWARD AVE		\$3,475.17	0.19%
Zone 1	4226009016	36	E	WINDWARD AVE		\$1,673.29	0.09%
Zone 1	4226009017	32	E	WINDWARD AVE		\$1,673.09	0.09%

Zone 1	4226009018	20		WINDWARD AVE	\$5,784.84	0.31%
Zone 1	4226009019	NONE		NONE	\$5,540.29	0.30%
Zone 1	4226009020	1697		PACIFIC AVE	\$29,892.88	1.61%
Zone 1	4226009021	70		WINDWARD AVE	\$1,939.36	0.10%
Zone 1	4226009022	80		WINDWARD AVE	\$5,527.19	0.30%
Zone 1	4226010001	1701		OCEAN FRONT WALK	\$8,451.84	0.46%
Zone 1	4226010011	31		18TH AVE	\$1,896.43	0.10%
Zone 1	4226010012	1715		PACIFIC AVE	\$2,284.75	0.12%
Zone 1	4226010013	NONE		NONE	\$2,030.40	0.11%
Zone 1	4226010014	1715		PACIFIC AVE	\$6,075.07	0.33%
Zone 1	4226010019	32		17TH AVE	\$2,139.60	0.12%
Zone 1	4226010020	32	E	17th AVE	\$2,017.20	0.11%
Zone 1	4226010021	1711	S	PACIFIC AVE	\$6,033.13	0.33%
Zone 1	4226010022	1713		OCEAN FRONT WALK	\$3,980.96	0.21%
Zone 1	4226010023	1733		OCEAN FRONT WALK	\$6,680.56	0.36%
Zone 1	4226011032	1801		OCEAN FRONT WALK	\$7,638.20	0.41%
Zone 1	4226011033	1815		OCEAN FRONT WALK	\$8,734.56	0.47%
Zone 1	4226011034	1809		OCEAN FRONT WALK	\$3,460.12	0.19%
Zone 1	4226013006	2017		OCEAN FRONT WALK	\$6,248.90	0.34%
Zone 1	4226013007	17	N	VENICE BLVD	\$4,728.58	0.26%
Zone 1	4226013008	31	N	VENICE BLVD	\$2,159.26	0.12%
Zone 1	4226013009	33	N	VENICE BLVD	\$2,152.70	0.12%
Zone 1	4226013010	35	N	VENICE BLVD	\$2,244.78	0.12%
Zone 1	4226013011	39	N	VENICE BLVD	\$2,209.90	0.12%
Zone 1	4226013012	49	E	VENICE BLVD	\$2,209.90	0.12%
Zone 1	4226013013	55	N	VENICE BLVD	\$2,903.02	0.16%
Zone 1	4226013016	2015		PACIFIC AVE	\$7,532.00	0.41%
Zone 1	4226013030	67	N	VENICE BLVD	\$4,421.40	0.24%
Zone 1	4226014018	64	N	VENICE BLVD	\$2,088.86	0.11%

Zone 1	4226014019	60	N	VENICE BLVD		\$2,157.90	0.12%
Zone 1	4226014024	32	N	VENICE BLVD		\$2,222.54	0.12%
Zone 1	4226014030	18	N	VENICE BLVD	NO A	\$1,725.27	0.09%
Zone 1	4226014031	18	N	VENICE BLVD	NO B	\$1,723.59	0.09%
Zone 1	4226014032	18	N	VENICE BLVD	NO C	\$1,725.27	0.09%
Zone 1	4226014033	18	N	VENICE BLVD	NO D	\$1,723.59	0.09%
Zone 1	4226014034	NONE		NONE		\$10,363.84	0.56%
Zone 2	4238002900	1234	S	PACIFIC AVE		\$27,614.22	1.49%
Zone 2	4238002902	1010		ABBOT KINNEY BLVD		\$24,020.88	1.30%
Zone 1	4238010001	200		WESTMINSTER AVE		\$12,837.30	0.69%
Zone 1	4238010009	233		SAN JUAN AVE		\$2,193.92	0.12%
Zone 1	4238010010	235		SAN JUAN AVE		\$2,193.92	0.12%
Zone 1	4238010011	237		SAN JUAN AVE		\$2,207.52	0.12%
Zone 1	4238010012	238		WESTMINSTER AVE		\$2,428.82	0.13%
Zone 1	4238010013	246		WESTMINSTER AVE		\$5,856.66	0.32%
Zone 1	4238010014	1340		MAIN ST		\$5,957.02	0.32%
Zone 1	4238010015	205		HORIZON AVE		\$2,268.29	0.12%
Zone 1	4238010016	207		HORIZON AVE		\$2,150.52	0.12%
Zone 1	4238011004	1312		PACIFIC AVE		\$4,346.24	0.23%
Zone 1	4238011005	1320		PACIFIC AVE		\$6,621.52	0.36%
Zone 1	4238011006	1400		PACIFIC AVE		\$4,420.00	0.24%
Zone 1	4238011007	1406		PACIFIC AVE		\$2,172.00	0.12%
Zone 1	4238011008	1410		PACIFIC AVE		\$2,194.40	0.12%
Zone 1	4238011011	1426		PACIFIC AVE		\$6,656.00	0.36%
Zone 1	4238011012	123		MARKET ST		\$4,273.52	0.23%
Zone 1	4238011013	1419	S	INNES PL		\$2,004.00	0.11%
Zone 1	4238011014	1415		INNES PL		\$2,342.24	0.13%
Zone 1	4238011015	1411		INNES PL		\$3,662.56	0.20%
Zone 1	4238011016	1403		INNES PL		\$2,984.00	0.16%

Zone 1	4238011017	1401		INNES PL	UNIT A	\$4,450.72	0.24%
Zone 1	4238011021	1313		INNES PL		\$2,297.76	0.12%
Zone 1	4238011022	1307		INNES PL		\$2,199.84	0.12%
Zone 1	4238011023	1305	S	INNES PL		\$2,004.00	0.11%
Zone 1	4238011024	120		WESTMINSTER AVE		\$5,365.76	0.29%
Zone 1	4238011026	1312		INNES PL		\$2,230.16	0.12%
Zone 1	4238011027	1314		INNES PL		\$2,159.60	0.12%
Zone 1	4238011028	1320		INNES PL		\$2,156.64	0.12%
Zone 1	4238011029	1322		INNES PL		\$2,182.24	0.12%
Zone 1	4238011030	1313		INNES PL		\$4,516.00	0.24%
Zone 1	4238011031	1406		MAIN ST		\$6,437.20	0.35%
Zone 1	4238011033	1420		PACIFIC AVE		\$4,336.00	0.23%
Zone 1	4238011034	1303		MAIN ST		\$5,543.99	0.30%
Zone 1	4238011035	1305		MAIN ST		\$4,097.60	0.22%
Zone 1	4238011036	1317	S	INNES PL		\$9,022.88	0.49%
Zone 1	4238011038	1411	S	MAIN ST	1	\$1,442.67	0.08%
Zone 1	4238011039	1411	S	MAIN ST	2	\$1,442.67	0.08%
Zone 1	4238011040	1411	S	MAIN ST	3	\$1,439.95	0.08%
Zone 1	4238011041	1411	S	MAIN ST	4	\$1,439.95	0.08%
Zone 1	4238011042	1411	S	MAIN ST	5	\$1,434.99	0.08%
Zone 1	4238011043	1411	S	MAIN ST	6	\$1,434.99	0.08%
Zone 1	4238012001	202		HORIZON AVE		\$3,739.59	0.20%
Zone 1	4238012002	208		HORIZON AVE		\$3,500.58	0.19%
Zone 1	4238012003	1410		MAIN ST		\$2,067.79	0.11%
Zone 1	4238012004	1414		MAIN ST		\$2,150.09	0.12%
Zone 1	4238012005	1422		MAIN ST		\$2,149.48	0.12%
Zone 1	4238012006	1426		MAIN ST		\$7,918.87	0.43%
Zone 1	4238013001	1500		MAIN ST		\$7,882.62	0.43%
Zone 1	4238013002	1504		MAIN ST		\$2,074.26	0.11%

Zone 1	4238013003	209		WINDWARD AVE		\$2,463.69	0.13%
Zone 1	4238013004	211		WINDWARD AVE		\$2,535.64	0.14%
Zone 1	4238013005	213		WINDWARD AVE		\$2,509.65	0.14%
Zone 1	4238013006	215		WINDWARD AVE		\$2,728.00	0.15%
Zone 1	4238014003	1510		PACIFIC AVE		\$1,395.28	0.08%
Zone 1	4238014004	1512		PACIFIC AVE		\$4,707.38	0.25%
Zone 1	4238014005	105		WINDWARD AVE		\$4,732.75	0.26%
Zone 1	4238014006	121		WINDWARD AVE		\$14,646.22	0.79%
Zone 1	4238014007	185		WINDWARD AVE		\$13,692.56	0.74%
Zone 1	4238014009	1602		PACIFIC AVE		\$2,576.88	0.14%
Zone 1	4238014016	1500		PACIFIC AVE		\$8,962.48	0.48%
Zone 1	4238014017	1601	S	MAIN ST		\$21,584.96	1.17%
Zone 1	4238014900	1610, 1608	S	PACIFIC AVE		\$7,440.29	0.40%
Zone 2	4238018900	NONE		NONE		\$62,098.43	3.35%
Zone 1	4238021001	200		GRAND BLVD		\$7,637.40	0.41%
Zone 1	4238021025	205		VENICE WAY		\$1,682.79	0.09%
Zone 1	4238021026	1716		MAIN ST		\$6,359.92	0.34%
Zone 1	4238022001	2022		PACIFIC AVE		\$6,766.46	0.37%
Zone 1	4238024900	2102	S	PACIFIC AVE		\$16,166.65	0.87%
Zone 1	4238024902	128	E	VENICE BLVD		\$8,215.66	0.44%
Zone 1	4238024903	206	N	VENICE BLVD		\$2,943.42	0.16%
Zone 1	4238024905	216	E	VENICE BLVD		\$2,629.74	0.14%
Zone 1	4238024906	302	E	VENICE BLVD		\$1,314.87	0.07%
Zone 1	4238024907	319, (319 E VENICE BLVD)	E	SOUTH VENICE BLVD		\$24,976.40	1.35%
Zone 1	4238024908	2106, (200 E VENICE BLVD)	S	CANAL ST		\$4,069.87	0.22%
Zone 1	4238024909	NONE		NONE		\$703.20	0.04%
Zone 1	4238024910	210	N	VENICE BLVD		\$1,314.87	0.07%
Zone 1	4238024911	125	S	VENICE BLVD		\$4,456.56	0.24%
Zone 1	4238025901	NONE		NONE		\$4,073.60	0.22%

Zone 1	4238025902	NONE		NONE		\$22,171.43	1.20%
Zone 1	4238025903	NONE		NONE		\$6,582.00	0.36%
Zone 2	4286003001	202		MAIN ST		\$2,977.65	0.16%
Zone 2	4286003003	241		HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003004	251		HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003007	213		ROSE AVE		\$4,288.08	0.23%
Zone 2	4286003008	217		ROSE AVE		\$2,513.82	0.14%
Zone 2	4286003009	219		ROSE AVE		\$4,755.94	0.26%
Zone 2	4286003010	259		HAMPTON DR		\$1,588.03	0.09%
Zone 2	4286003011	257		HAMPTON DR	APT 0007	\$2,819.72	0.15%
Zone 2	4286003013	251		HAMPTON DR		\$1,296.74	0.07%
Zone 2	4286003014	241		HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003015	228		MAIN ST		\$6,452.56	0.35%
Zone 2	4286003016	224		MAIN ST		\$3,226.28	0.17%
Zone 2	4286003019	206		MAIN ST		\$6,496.00	0.35%
Zone 2	4286003020	248		MAIN ST		\$5,812.08	0.31%
Zone 2	4286003021	212		MAIN ST		\$6,165.04	0.33%
Zone 2	4286004002	220		ROSE ST		\$9,550.73	0.52%
Zone 2	4286004004	212, (300 S MAIN ST)	E	ROSE ST		\$4,065.01	0.22%
Zone 2	4286004006	354		MAIN ST		\$19,525.52	1.05%
Zone 2	4286004007	321		HAMPTON DR		\$7,662.16	0.41%
Zone 2	4286004009	340	S	MAIN ST		\$15,714.40	0.85%
Zone 2	4286005010	300		ROSE AVE		\$37,043.79	2.00%
Zone 2	4286005011	350		HAMPTON DR		\$17,310.64	0.93%
Zone 2	4286006013	363		4TH AVE		\$3,583.00	0.19%
Zone 2	4286006015	364		3RD AVE		\$3,852.25	0.21%
Zone 2	4286006016	360		3RD AVE		\$1,588.80	0.09%
Zone 2	4286006017	354		3RD AVE		\$2,171.60	0.12%
Zone 2	4286006018	346		3RD AVE		\$3,596.00	0.19%

Zone 2	4286006034	370	E	ROSE ST		\$45,421.34	2.45%
Zone 2	4286006035	345		4TH AVE		\$6,672.02	0.36%
Zone 2	4286006037	351		SUNSET AVE	1	\$707.19	0.04%
Zone 2	4286006038	351		SUNSET AVE	2	\$705.59	0.04%
Zone 2	4286006039	351		SUNSET AVE	3	\$705.59	0.04%
Zone 2	4286006040	351		SUNSET AVE	4	\$705.59	0.04%
Zone 2	4286006041	351		SUNSET AVE	5	\$705.59	0.04%
Zone 2	4286006042	351		SUNSET AVE	6	\$707.19	0.04%
Zone 2	4286007001	602		HAMPTON DR		\$4,407.68	0.24%
Zone 2	4286007005	618		HAMPTON DR		\$3,646.13	0.20%
Zone 2	4286007015	351		VERNON AVE		\$6,760.00	0.36%
Zone 2	4286007018	344		SUNSET AVENUE		\$2,398.00	0.13%
Zone 2	4286007019	342		SUNSET AVENUE		\$2,385.20	0.13%
Zone 2	4286007020	340		SUNSET AVENUE		\$2,374.46	0.13%
Zone 2	4286007021	334		SUNSET AVENUE		\$2,253.86	0.12%
Zone 2	4286007022	320		SUNSET AVENUE		\$5,020.00	0.27%
Zone 2	4286007023	318		SUNSET AVENUE		\$2,110.00	0.11%
Zone 2	4286007024	314		SUNSET AVENUE		\$4,026.40	0.22%
Zone 2	4286007025	350		SUNSET AVE		\$6,760.00	0.36%
Zone 2	4286007026	608		HAMPTON DR		\$2,404.02	0.13%
Zone 2	4286007029	616		HAMPTON DR		\$4,713.07	0.25%
Zone 2	4286008001	702		HAMPTON DR		\$3,147.99	0.17%
Zone 2	4286008002	704		HAMPTON DR		\$1,156.81	0.06%
Zone 2	4286008003	706		HAMPTON DR		\$1,151.31	0.06%
Zone 2	4286008004	708		HAMPTON DR		\$1,140.42	0.06%
Zone 2	4286008005	710		HAMPTON DR		\$1,134.92	0.06%
Zone 2	4286008006	712		HAMPTON DR		\$1,126.67	0.06%
Zone 2	4286008007	714		HAMPTON DR		\$1,050.13	0.06%
Zone 2	4286008008	716		HAMPTON DR		\$1,222.28	0.07%

Zone 2	4286008009	718		HAMPTON DR		\$1,250.17	0.07%
Zone 2	4286008010	720		HAMPTON DR		\$2,640.23	0.14%
Zone 2	4286009001	603		HAMPTON DR		\$2,747.98	0.15%
Zone 2	4286009009	703		HAMPTON DR		\$1,616.58	0.09%
Zone 2	4286009012	719		HAMPTON DR		\$1,258.00	0.07%
Zone 2	4286009018	805		HAMPTON DR		\$4,011.08	0.22%
Zone 2	4286009022	220		SUNSET AVE		\$2,006.87	0.11%
Zone 2	4286009026	202, 204	E	SUNSET AVE		\$4,772.05	0.26%
Zone 2	4286009031	NONE		NONE		\$44.00	0.00%
Zone 2	4286009035	707		HAMPTON DR		\$2,957.60	0.16%
Zone 2	4286009038	615		HAMPTON DR	A101	\$291.35	0.02%
Zone 2	4286009039	615		HAMPTON DR	A102	\$291.35	0.02%
Zone 2	4286009040	615		HAMPTON DR	A103	\$258.23	0.01%
Zone 2	4286009041	615		HAMPTON DR	A104	\$258.23	0.01%
Zone 2	4286009042	615		HAMPTON DR	A105	\$258.23	0.01%
Zone 2	4286009043	615		HAMPTON DR	A106	\$258.23	0.01%
Zone 2	4286009044	615		HAMPTON DR	A107	\$258.23	0.01%
Zone 2	4286009045	615		HAMPTON DR	A108	\$258.23	0.01%
Zone 2	4286009046	615		HAMPTON DR	A109	\$291.35	0.02%
Zone 2	4286009047	615		HAMPTON DR	A110	\$291.35	0.02%
Zone 2	4286009048	615		HAMPTON DR	A111	\$291.35	0.02%
Zone 2	4286009049	615		HAMPTON DR	A201	\$304.07	0.02%
Zone 2	4286009050	615		HAMPTON DR	A202	\$291.35	0.02%
Zone 2	4286009051	615		HAMPTON DR	A203	\$291.35	0.02%
Zone 2	4286009052	615		HAMPTON DR	A204	\$304.07	0.02%
Zone 2	4286009053	615		HAMPTON DR	A301	\$283.91	0.02%
Zone 2	4286009054	615		HAMPTON DR	A302	\$283.91	0.02%
Zone 2	4286009055	615		HAMPTON DR	A303	\$251.59	0.01%
Zone 2	4286009056	615		HAMPTON DR	A304	\$250.95	0.01%

Zone 2	4286009057	615		HAMPTON DR	A305	\$251.59	0.01%
Zone 2	4286009058	615		HAMPTON DR	A306	\$251.59	0.01%
Zone 2	4286009059	615		HAMPTON DR	A307	\$250.95	0.01%
Zone 2	4286009060	615		HAMPTON DR	A308	\$251.59	0.01%
Zone 2	4286009061	615		HAMPTON DR	A309	\$283.91	0.02%
Zone 2	4286009062	615		HAMPTON DR	A310	\$283.91	0.02%
Zone 2	4286009063	615		HAMPTON DR	A311	\$283.91	0.02%
Zone 2	4286009067	721		HAMPTON DR		\$3,724.81	0.20%
Zone 2	4286009070	615		HAMPTON DR	B101	\$361.59	0.02%
Zone 2	4286009071	615		HAMPTON DR	B102	\$368.15	0.02%
Zone 2	4286009072	615		HAMPTON DR	B103	\$361.59	0.02%
Zone 2	4286009073	615		HAMPTON DR	B104	\$328.47	0.02%
Zone 2	4286009074	615		HAMPTON DR	B105	\$328.47	0.02%
Zone 2	4286009075	615		HAMPTON DR	B201	\$360.55	0.02%
Zone 2	4286009077	615		HAMPTON DR	B301	\$354.15	0.02%
Zone 2	4286009078	615		HAMPTON DR	B302	\$354.15	0.02%
Zone 2	4286009079	615		HAMPTON DR	B303	\$354.15	0.02%
Zone 2	4286009080	615		HAMPTON DR	B304	\$321.83	0.02%
Zone 2	4286009081	615		HAMPTON DR	B305	\$321.19	0.02%
Zone 2	4286009083	615		HAMPTON DR	C101	\$361.75	0.02%
Zone 2	4286009084	615		HAMPTON DR	C102	\$361.75	0.02%
Zone 2	4286009085	615		HAMPTON DR	C103	\$361.75	0.02%
Zone 2	4286009086	615		HAMPTON DR	C104	\$361.75	0.02%
Zone 2	4286009087	615		HAMPTON DR	C301	\$356.71	0.02%
Zone 2	4286009088	615		HAMPTON DR	C302	\$356.71	0.02%
Zone 2	4286009089	615		HAMPTON DR	C303	\$356.71	0.02%
Zone 2	4286009090	615		HAMPTON DR	C304	\$356.71	0.02%
Zone 2	4286009091	NONE		NONE	NONE	\$342.15	0.02%
Zone 2	4286009092	NONE		NONE	NONE	\$342.15	0.02%

Zone 2	4286009093	615		HAMPTON DR	D301	\$347.51	0.02%
Zone 2	4286009094	615		HAMPTON DR	D302	\$347.51	0.02%
Zone 2	4286009095	615		HAMPTON DR	B202	\$480.44	0.03%
Zone 2	4286009100	700		MAIN ST	NO 1	\$432.64	0.02%
Zone 2	4286009101	700		MAIN ST	NO 2	\$410.24	0.02%
Zone 2	4286009102	700		MAIN ST	NO 3	\$437.44	0.02%
Zone 2	4286009103	700		MAIN ST	NO 4	\$419.04	0.02%
Zone 2	4286009104	700		MAIN ST	NO 5	\$459.04	0.02%
Zone 2	4286009105	700		MAIN ST	NO 6	\$457.44	0.02%
Zone 2	4286009106	700		MAIN ST	NO 7	\$454.24	0.02%
Zone 2	4286009107	700		MAIN ST	NO 8	\$452.64	0.02%
Zone 2	4286009108	700		MAIN ST	NO 9	\$447.84	0.02%
Zone 2	4286009109	700		MAIN ST	NO 10	\$444.64	0.02%
Zone 2	4286009110	700		MAIN ST	NO 11	\$437.44	0.02%
Zone 2	4286009111	700		MAIN ST	NO 12	\$436.64	0.02%
Zone 2	4286009112	700		MAIN ST	NO 13	\$432.64	0.02%
Zone 2	4286009113	700		MAIN ST	NO 14	\$438.24	0.02%
Zone 2	4286009114	700		MAIN ST	NO 15	\$459.04	0.02%
Zone 2	4286009115	700		MAIN ST	NO 16	\$392.64	0.02%
Zone 2	4286009116	700		MAIN ST	NO 17	\$368.64	0.02%
Zone 2	4286009117	700		MAIN ST	NO 18	\$446.24	0.02%
Zone 2	4286009118	700		MAIN ST	NO 19	\$427.84	0.02%
Zone 2	4286009119	700		MAIN ST	NO 20	\$423.04	0.02%
Zone 2	4286009120	700		MAIN ST	NO 21	\$422.24	0.02%
Zone 2	4286009121	700		MAIN ST	NO 22	\$412.64	0.02%
Zone 2	4286009122	700		MAIN ST	NO 23	\$411.04	0.02%
Zone 2	4286009123	700		MAIN ST	NO 24	\$407.04	0.02%
Zone 2	4286009124	700		MAIN ST	NO 25	\$486.24	0.03%
Zone 2	4286009125	815	5	HAMPTON ST		\$535.34	0.03%

Zone 2	4286009126	815	S	HAMPTON ST	2	\$496.14	0.03%
Zone 2	4286009127	815	S	HAMPTON ST	3	\$500.62	0.03%
Zone 2	4286009128	815	S	HAMPTON ST	4	\$496.94	0.03%
Zone 2	4286009129	815	S	HAMPTON ST	5	\$496.94	0.03%
Zone 2	4286009130	815	S	HAMPTON ST	6	\$496.94	0.03%
Zone 2	4286009131	815	S	HAMPTON ST	7	\$497.10	0.03%
Zone 2	4286009132	815	S	HAMPTON ST	8	\$483.58	0.03%
Zone 2	4286009133	815	S	HAMPTON ST	9	\$506.78	0.03%
Zone 2	4286009134	815	S	HAMPTON ST	10	\$532.38	0.03%
Zone 2	4286009135	815	S	HAMPTON ST	10	\$379.19	0.02%
Zone 2	4286009136	815	S	HAMPTON ST	10	\$326.07	0.02%
Zone 2	4286010029	818		HAMPTON DR		\$3,173.67	0.17%
Zone 2	4286010036	826		HAMPTON DR		\$4,347.18	0.23%
Zone 2	4286010044	804		HAMPTON DR		\$11,791.22	0.64%
Zone 2	4286012012	808		MAIN ST		\$613.15	0.03%
Zone 2	4286012016	798		MAIN ST		\$1,390.44	0.08%
Zone 2	4286012029	796		MAIN ST		\$638.57	0.03%
Zone 2	4286012034	810		MAIN ST		\$619.79	0.03%
Zone 2	4286012035	812		MAIN ST		\$5,749.15	0.31%
Zone 2	4286012038	NONE		NONE		\$1,623.19	0.09%
Zone 2	4286012039	NONE		NONE		\$4,722.87	0.25%
Zone 2	4286012044	NONE		NONE		\$1,352.80	0.07%
Zone 2	4286012045	NONE		NONE		\$1,112.74	0.06%
Zone 2	4286013031	916		MAIN ST		\$4,219.39	0.23%
Zone 2	4286013034	900		WASHINGTON BLVD		\$4,873.10	0.26%
Zone 2	4286015900	100		SUNSET AVE		\$35,933.09	1.94%
Zone 2	4286017026	255		MAIN ST	NO 101	\$406.89	0.02%
Zone 2	4286017027	255		MAIN ST	NO 102	\$387.29	0.02%
Zone 2	4286017028	255		MAIN ST	NO 103	\$387.29	0.02%

Zone 2	4286017029	255	MAIN ST	NO 104	\$387.29	0.02%
Zone 2	4286017030	255	MAIN ST	NO 105	\$387.29	0.02%
Zone 2	4286017031	255	MAIN ST	NO 106	\$387.29	0.02%
Zone 2	4286017032	255	MAIN ST	NO 107	\$391.85	0.02%
Zone 2	4286017033	245	MAIN ST	NO 108	\$391.85	0.02%
Zone 2	4286017034	245	MAIN ST	NO 109	\$387.29	0.02%
Zone 2	4286017035	245	MAIN ST	NO 110	\$387.29	0.02%
Zone 2	4286017036	245	MAIN ST	NO 111	\$387.29	0.02%
Zone 2	4286017037	245	MAIN ST	NO 112	\$387.29	0.02%
Zone 2	4286017038	245	MAIN ST	NO 113	\$387.29	0.02%
Zone 2	4286017039	245	MAIN ST	NO 114	\$391.85	0.02%
Zone 2	4286017040	235	MAIN ST	NO 115	\$391.85	0.02%
Zone 2	4286017041	235	MAIN ST	NO 116	\$387.29	0.02%
Zone 2	4286017042	235	MAIN ST	NO 117	\$387.29	0.02%
Zone 2	4286017043	235	MAIN ST	NO 118	\$387.29	0.02%
Zone 2	4286017044	235	MAIN ST	NO 119	\$387.29	0.02%
Zone 2	4286017045	235	MAIN ST	NO 120	\$387.29	0.02%
Zone 2	4286017046	235	MAIN ST	NO 121	\$387.29	0.02%
Zone 2	4286017047	245	MAIN ST		\$1,175.21	0.06%
Zone 2	4286017048	255	MAIN ST	NO 201	\$407.69	0.02%
Zone 2	4286017049	255	MAIN ST	NO 202	\$387.29	0.02%
Zone 2	4286017050	255	MAIN ST	NO 203	\$387.29	0.02%
Zone 2	4286017051	255	MAIN ST	NO 204	\$387.29	0.02%
Zone 2	4286017052	255	MAIN ST	NO 205	\$387.29	0.02%
Zone 2	4286017053	255	MAIN ST	NO 206	\$387.29	0.02%
Zone 2	4286017054	255	MAIN ST	NO 207	\$391.85	0.02%
Zone 2	4286017055	245	MAIN ST	NO 208	\$391.85	0.02%
Zone 2	4286017056	245	MAIN ST	NO 209	\$387.29	0.02%
Zone 2	4286017057	245	MAIN ST	NO 210	\$387.29	0.02%

Zone 2	4286017058	245	MAIN ST	NO 211	\$387.29	0.02%
Zone 2	4286017059	245	MAIN ST	NO 212	\$387.29	0.02%
Zone 2	4286017060	245	MAIN ST	NO 213	\$387.29	0.02%
Zone 2	4286017061	245	MAIN ST	NO 214	\$391.85	0.02%
Zone 2	4286017062	235	MAIN ST	NO 215	\$391.85	0.02%
Zone 2	4286017063	235	MAIN ST	NO 216	\$387.29	0.02%
Zone 2	4286017064	235	MAIN ST	NO 217	\$387.29	0.02%
Zone 2	4286017065	235	MAIN ST	NO 218	\$387.29	0.02%
Zone 2	4286017066	235	MAIN ST	NO 219	\$387.29	0.02%
Zone 2	4286017067	235	MAIN ST	NO 220	\$387.29	0.02%
Zone 2	4286017068	235	MAIN ST	NO 221	\$387.29	0.02%
Zone 2	4286017069	235	MAIN ST	NO 222	\$412.65	0.02%
Zone 2	4286017070	235	MAIN ST	NO 223	\$422.01	0.02%
Zone 2	4286017071	235	MAIN ST	NO 224	\$412.65	0.02%
Zone 2	4286017072	255	MAIN ST	NO 301	\$421.85	0.02%
Zone 2	4286017073	255	MAIN ST	NO 302	\$401.53	0.02%
Zone 2	4286017074	255	MAIN ST	NO 303	\$401.53	0.02%
Zone 2	4286017075	255	MAIN ST	NO 304	\$403.53	0.02%
Zone 2	4286017076	255	MAIN ST	NO 305	\$401.53	0.02%
Zone 2	4286017077	255	MAIN ST	NO 306	\$401.53	0.02%
Zone 2	4286017078	255	MAIN ST	NO 307	\$404.17	0.02%
Zone 2	4286017079	235	MAIN ST	NO 308	\$404.17	0.02%
Zone 2	4286017080	235	MAIN ST	NO 309	\$401.53	0.02%
Zone 2	4286017081	245	MAIN ST	NO 310	\$401.53	0.02%
Zone 2	4286017082	245	MAIN ST	NO 311	\$403.53	0.02%
Zone 2	4286017083	245	MAIN ST	NO 312	\$401.53	0.02%
Zone 2	4286017084	245	MAIN ST	NO 313	\$401.53	0.02%
Zone 2	4286017085	245	MAIN ST	NO 314	\$404.17	0.02%
Zone 2	4286017086	235	MAIN ST	NO 315	\$404.17	0.02%

Zone 2	4286017087	235		MAIN ST	NO 316	\$401.53	0.02%
Zone 2	4286017088	235		MAIN ST	NO 317	\$401.53	0.02%
Zone 2	4286017089	235		MAIN ST	NO 318	\$403.53	0.02%
Zone 2	4286017090	235		MAIN ST	NO 319	\$401.53	0.02%
Zone 2	4286017091	235		MAIN ST	NO 320	\$401.53	0.02%
Zone 2	4286017092	235		MAIN ST	NO 321	\$401.53	0.02%
Zone 2	4286017093	245		MAIN ST		\$8,682.29	0.47%
Zone 1	4286027007	811		OCEAN FRONT WALK		\$2,364.41	0.13%
Zone 1	4286027008	815		OCEAN FRONT WALK		\$2,592.93	0.14%
Zone 1	4286027010	8		BROOKS AVE		\$8,972.40	0.48%
Zone 1	4286027013	909		OCEAN FRONT WALK		\$16,028.20	0.87%
Zone 1	4286027014	801		OCEAN FRONT WALK		\$13,857.28	0.75%
Zone 1	4286027015	11		BROOKS AVE	A	\$2,281.61	0.12%
Zone 1	4286027016	11		BROOKS AVE	B	\$2,297.93	0.12%
Zone 1	4286027017	11		BROOKS AVE	C	\$2,293.13	0.12%
Zone 1	4286027018	11		BROOKS AVE	D	\$2,296.65	0.12%
Zone 1	4286027019	819		OCEAN FRONT WALK		\$2,294.57	0.12%
Zone 1	4286027902	NONE		NONE		\$17,050.35	0.92%
Zone 1	4286028001	8, 10	E	SUNSET AVE		\$13,996.27	0.76%
Zone 1	4286028002	615		OCEAN FRONT WALK		\$3,918.96	0.21%
Zone 1	4286028010	715		OCEAN FRONT WALK		\$2,521.80	0.14%
Zone 1	4286028013	719		OCEAN FRONT WALK		\$2,409.66	0.13%
Zone 1	4286028016	717		OCEAN FRONT WALK		\$2,509.14	0.14%
Zone 1	4286028017	723		OCEAN FRONT WALK		\$8,937.43	0.48%
Zone 1	4286028020	11	E	THORTON AVE		\$2,219.33	0.12%
Zone 1	4286028021	9	E	THORTON AVE		\$2,500.13	0.13%
Zone 1	4286028022	619		OCEAN FRONT WALK		\$2,472.13	0.13%
Zone 1	4286028023	7	E	THORTON AVE		\$2,436.13	0.13%
Zone 1	4286028024	621	S	OCEAN FRONT WALK		\$2,516.93	0.14%

Zone 1	4286028025	12	E	THORTON AVE		\$1,930.06	0.10%
Zone 1	4286028026	10	E	THORTON AVE		\$2,379.89	0.13%
Zone 1	4286028027	701	S	OCEAN FRONT WALK	MISSING	\$2,421.49	0.13%
Zone 1	4286028028	701	S	OCEAN FRONT WALK	MISSING	\$2,435.09	0.13%
Zone 1	4286028029	701		OCEAN FRONT WALK		\$2,430.29	0.13%
Zone 1	4286028030	701	S	OCEAN FRONT WALK	MISSING	\$2,374.29	0.13%
Zone 1	4286028031	701	S	OCEAN FRONT WALK	MISSING	\$2,347.09	0.13%
Zone 1	4286028902	NONE		NONE		\$13,038.98	0.70%
Zone 1	4286029012	511		OCEAN FRONT WALK		\$3,499.08	0.19%
Zone 1	4286029013	517		OCEAN FRONT WALK		\$6,375.84	0.34%
Zone 1	4286029017	523		OCEAN FRONT WALK		\$4,657.68	0.25%
Zone 1	4286029902	NONE		NONE		\$17,922.96	0.97%
Zone 1	4286030001	201		OCEAN FRONT WALK		\$5,868.64	0.32%
Zone 1	4286030002	201		OCEAN FRONT WALK		\$6,346.93	0.34%
Zone 1	4286030003	213		OCEAN FRONT WALK		\$2,629.61	0.14%
Zone 1	4286030006	301		OCEAN FRONT WALK		\$6,267.59	0.34%
Zone 1	4286030009	313		OCEAN FRONT WALK		\$2,667.57	0.14%
Zone 1	4286030011	319		OCEAN FRONT WALK		\$2,405.56	0.13%
Zone 1	4286030012	321		OCEAN FRONT WALK		\$8,127.65	0.44%
Zone 1	4286030013	5		ROSE AVE		\$9,813.54	0.53%
Zone 1	4286030017	317		OCEAN FRONT WALK	UNIT C	\$833.26	0.04%
Zone 1	4286030018	317		OCEAN FRONT WALK	UNIT B	\$916.46	0.05%
Zone 1	4286030019	317		OCEAN FRONT WALK	UNIT A	\$940.46	0.05%
Zone 1	4286030022	305		OCEAN FRONT WALK		\$2,788.79	0.15%
Zone 1	4286030023	309		OCEAN FRONT WALK		\$2,671.10	0.14%
Zone 1	4286030903	NONE		NONE		\$26,849.63	1.45%
Zone 1	4288029900	NONE		NONE		\$1,074.75	0.06%
Zone 1	4288029906	NONE		NONE		\$0.00	0.00%
Zone 1	4288029909	120		OCEAN FRONT WALK		\$5,091.40	0.27%

Zone 1	4288029910	NONE	NONE		\$750.58	0.04%
Zone 1	4288029914	NONE	NONE		\$333.89	0.02%
Zone 1	4288029916	NONE	NONE		\$0.00	0.00%
Zone 2	4286009013	719	HAMPTON DR		\$1,302.80	0.07%

**VENICE BEACH
BUSINESS IMPROVEMENT DISTRICT**

*Being Formed Under California Streets and Highways Code Section 36600 et seq.
Property and Business Improvement District Act of 1994*

**DISTRICT
ASSESSMENT ENGINEER'S
REPORT**

ATTACHMENT A

*Prepared by
Edward V. Henning
California Registered Professional Engineer # 26549
Edward Henning & Associates*

June 24, 2016

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

DISTRICT ASSESSMENT ENGINEER’S REPORT

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the proposed Venice Beach Business Improvement District ("Venice Beach BID") being established for a five (5) year term will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

Prepared by Edward V. Henning, California Registered Professional Engineer # 26549



A handwritten signature in black ink that reads "Edward V. Henning".

RPE #26549 June 24, 2016

Edward V. Henning

Date

(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)

Introduction

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed Venice Beach BID in the City of Los Angeles, California being established for a five (5) year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits derived by real properties within the proposed Venice Beach BID. It is noted that whole numbers shown in this Report may have been rounded up or down for simplicity.

For the purposes of this Report, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large.

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Background

The Venice Beach BID is a property-based benefit assessment type district being established for a five (5) year term pursuant to Section 36600 et seq. of the California Streets and Highways Code (as amended), also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied within a property and business improvement district (“BID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments levied. Within the Act, frequent references are made to the concept of relative “benefit” received from BID programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from BID funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

Supplemental Article XIID Section 4(b) California Constitution - Proposition 218 Procedures and Requirements

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the Venice Beach BID. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chaptered” into law as Article XIID Section 4(b) of the California Constitution.

Since Article XIID provisions will affect all subsequent calculations to be made in the final assessment formula for the Venice Beach BID, these supplemental requirements will be taken into account. The key provisions of Article XIID along with a description of how the Venice Beach BID complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII of the California Constitution):

Finding 1. From Section 4(a): “Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed”

There are 464 parcels within the proposed Venice Beach BID which are “identified” by this Assessment Engineer as assessable parcels that will derive special benefit from the proposed District programs and activities. The benefits are special and unique only to the identified parcels within the District because programs and services (i.e. clean and safe programs; district identity and special projects; and, administration and management) will only be provided directly for the benefit of the identified parcels. These identified benefiting parcels are located within the BID perimeter boundary which is shown on the Boundary Map attached as Appendix 2 to this Report and are listed in Appendix 1 to this Report - identified by assessor parcel number and common site address. Any future development and/or land subdivisions will adhere to the assessment rate structures described herein. There are two benefit zones within the proposed District.

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Setting

The proposed District is located in the coastal community of Venice Beach located in the southwest region of the City of Los Angeles. According to the Venice Chamber of Commerce, Venice Beach is the #2 tourist destination in Southern California (second only to Disneyland.) The property uses within the boundaries of the proposed District which will receive special benefits from District funded programs and services are currently a mix of commercial, industrial, *government and residential.*

Ocean Front Walk (aka the Boardwalk) is a mixed-use, oceanfront, pedestrian-oriented, tourist-dominated commercial corridor and generally includes all commercially and industrially zoned properties along the Ocean Front Walk, Pacific, Main Street, Hampton Drive and 3rd Ave corridors between the Los Angeles-Santa Monica city boundary on the north and Venice Boulevard on the south. The iconic Ocean Front Walk is a pedestrian-only street. The other streets are open to vehicular traffic, most run parallel to Ocean Front Walk, and are predominantly populated with uses that are related to Ocean Front Walk and its tourism.

The proposed District is dominated by commercial and government owned parcels, with a small but significant number of industrially-zoned parcels. The industrially-zoned parcels of the District are principally occupied by a) commercial businesses, b) office space, c) guest/vacation rental units and/or d) mixed-use condominium units over retail (many of which are also operated as vacation rental units.) In these industrial areas, many parcels contain multiple uses within a single parcel (e.g. residential over retail.) Very few parcels operate as traditional industrial uses (e.g. Metro’s bus maintenance facility.) Each assessed parcel will specially benefit from District programs and services. More detail on how parcels specially benefit from District programs and services can be found in the District Boundary Rationale section of the Management District Plan (page 17) and the Service & Improvement Plan (page 21.)

The commercial parcels in the proposed District are heavily tourist-related: hotels, vacation rentals, restaurants, bars, entertainment, paid parking, visitor services, and a variety of retail, including sales/rentals of sports and recreation equipment, etc.

The western side of Ocean Front Walk, the adjacent grassy knoll and beach, as well as restrooms, parking lots, maintenance facilities and a public library are among the most heavily utilized public facilities in the U.S., and these government-owned parcels constitute as significant a part of Venice’s attractions as the hotels, shops, restaurants and other local businesses that also populate the area. Ownership of this public beachfront property is divided between the City of Los Angeles and the State of California. The state-owned property has been operated under the auspices of the City of Los Angeles pursuant to an agreement signed in 1948. The City maintains full operational control of the state-owned property, and the State is not involved in its operation or management. The City is responsible for the District assessment for the state-owned property.

The majority of government owned parcels in the District are heavily utilized by Venice tourists and visitors (public

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

parks, paid parking lots, terminus for local public transportation, etc.) with the exception of an LAUSD elementary school parcel that is surrounded by commercially-zoned, tourist-oriented properties, and a Los Angeles Public Library parcel, which, in addition to the Library, also contains a large open space area (pocket park and pedestrian/jogging/biking/skateboarding path) along Venice Boulevard, one of the primary gateways to Ocean Front Walk and Venice Beach.

Due to geographic and legal (PBID Law) limitations, the actual District boundaries within the broadly defined limits described above are irregular in places to coincide with City boundaries, the ocean, and land use zoning. These limitations are incorporated into the District boundaries. Further explanation of the District boundaries begins on page 4. The proposed District includes all of the Ocean Front Walk (aka the Boardwalk), a mixed-use, oceanfront, pedestrian-oriented, tourist-dominated corridor. State PBID Law (Section 36632 Streets and Highways Code) states: Properties zoned solely for residential use.....are conclusively presumed not to benefit from the improvements and services funded through these assessments, and shall not be subject to any assessments pursuant to this part. It is noted that no parcels within the proposed District are zoned solely residential.

There are two benefit zones within the proposed District. The zone boundaries are described on page 9 and the zone rationale is described on page 5.

District Boundary Rationale

Western Boundary: The western boundary of the District is geographically determined by the Venice public beach and the Pacific Ocean. All parcels along the western boundary are government owned parcels (City of Los Angeles and State of California). It is noted that the westerly boundary line is irregular in that it includes only land portions developed with either public uses (such as sports/recreation venues, parks and public parking) or land areas occupied by or available for business concessions and kiosks. Sand/beach portions of the government owned parcels along the western boundary are not included in the District. In order to ensure that parcels west of the western boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided west of the western boundary, only to assessed parcels east of the western boundary within the District.

Northern Boundary: The northern boundary of the District is geographically determined by the City of Los Angeles City - City of Santa Monica boundary line. Per State PBID Law, parcels outside of one City cannot, without consent of the other City Council, be included within a business improvement district. Since there is no such consent by the City of Santa Monica, parcels located within the City of Santa Monica are not included in the District. No direct or tangible District funded services and improvements will be provided to parcels within the City of Santa Monica nor will any special benefits be conferred upon them. In order to ensure that parcels north of the northern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided north of the northern boundary, only to assessed parcels south of the northern boundary within the District.

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Eastern Boundary: The eastern boundary of the District is irregular, but generally coincides with where commercial and industrial zoned parcels end and parcels zoned solely residential begin. This boundary includes contiguous parcels that are zoned as commercial, industrial and/or open space and excludes all parcels zoned solely residential and presumed by State Law not to benefit from District improvements or activities.

In order to ensure that parcels east of the eastern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided east of the eastern boundary, only to assessed parcels west of the eastern boundary within the District.

Southern Boundary: The southern boundary generally coincides with the centerline of South Venice Beach Boulevard and is determined by zoning and land uses where properties located to the south of the southern District boundary are zoned solely residential with residential land uses while those north of the southern boundary are primarily government owned parcels zoned with some commercial parcels. The government owned parcels include a Los Angeles Public Library parcel, which is included in the proposed District because, in addition to the Library, it also contains a large open space area (pocket park and pedestrian/jogging/biking/skateboarding path) along Venice Boulevard, which is one of the primary gateways to Ocean Front Walk and Venice Beach. State of California Streets and Highways Code Section 36632(c) conclusively presumes that properties zoned solely residential do not benefit from the improvements and service funded through District assessments, cannot be assessed and, thus, are not included in the District. In order to ensure that parcels south of the southern boundary will not specially benefit from District funded services and improvements, no District services and improvements will be provided south of the southern boundary segments, only to assessed parcels north of the southern boundary within the District.

Each boundary includes all of the contiguous parcels that are zoned as either commercial, industrial and/or open space, and excludes all parcels zoned solely residential and presumed by State Law not to benefit from District funded services and improvements.

Benefit Zone Rationale: There are two benefit zones in the BID.

- **Zone 1** includes the tourist-related commercial core of Venice Beach (i.e. Ocean Front Walk, Windward Avenue and extensive parking lots along North and South Venice Boulevards which are utilized primarily by beachgoers and Boardwalk patrons) and consists of commercial, industrial and open space zoned properties. The Ocean Front Walk, the adjacent grassy knoll and beach, as well as restrooms, parking lots, and maintenance facilities are among the most heavily utilized public facilities in the U.S., and constitute as significant a part of Venice’s attractions as the hotels, shops, restaurants and other local businesses that also populate the area. Ownership of this public beachfront property is divided between the City of Los Angeles and the State of California. The state-owned property has been operated under the auspices of the City of Los Angeles pursuant to an agreement signed in 1948. The City maintains full operational control of the state-owned property, and the State is not involved in its operation or management. The City is responsible for the District assessment for the state-owned

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property. Zone 1 has heavily-utilized bus stops connecting transit riders to adjacent communities in Los Angeles, Santa Monica, Culver City and Marina del Rey. Tourist related activity and pedestrian traffic is highest in Zone 1, and thus these parcels require the highest level of District programs and services (twice the clean and safe service frequencies as Zone 2 parcels). Zone 1 parcels will receive 100% of their proportionate special benefit from Zone 1 District funded levels of services and will be assessed at the rate of \$0.08 per square foot of building area, \$0.11 per square foot of parcel land area and \$29 per linear foot of street frontage as delineated in this Report. These rates and the resulting Zone 1 assessment revenue are reflected in the budget allocation of funds for Zone 1 and the corresponding proportionate special benefits conferred on Zone 1 parcels.

- **Zone 2** includes the secondary retail and tourist-related business corridors of Venice Beach (i.e. Main Street, Hampton Avenue and 3rd Avenue) and consists of commercial, industrial, and open space zoned properties. Zone 2 also contains one large, non-contiguous parcel at the southeast end of the proposed District, which contains the Venice Branch of the Los Angeles Public Library. This parcel is included in Zone 2 because its hours of operation and service level needs are compatible with Zone 2 uses (in contrast to the government owned parcels that lie immediately west of the library, which represent paid parking lots and uses directly tied to Ocean Front Walk, the public park and beach areas, and whose hours of operation and service level needs are compatible with Zone 1 uses.) Please see page 22 of the Management District Plan and page 20 of this Report for more discussion of the services provided in Zone 1 and Zone 2. Tourist-related activity and pedestrian traffic is significantly lower in Zone 2 as compared to Zone 1, and thus these parcels require a lower level of District programs and services (50% of the clean and safe service frequencies as Zone 1 parcels). Zone 2 parcels will receive 100% of their proportionate special benefit from Zone 2 District funded levels of services and will be assessed at the rate of \$0.08 per square foot of building area, \$0.11 per square foot of parcel land area and \$14.50 per linear foot of street frontage as delineated in this Report. These rates and the resulting Zone 2 assessment revenue are reflected in the budget allocation of funds for Zone 2 and the corresponding proportionate special benefits conferred on Zone 2 parcels.

District Boundary Description:

True Point of Beginning: Beginning at the northwest corner of the District, at the westerly edge of the northern property line of APN 4288029914; thence east along the northern property line of APN 4288029914 and continuing along the centerline of Barnard Way to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the centerline of Ozone Avenue; thence east along said centerline of Ozone Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Dudley Avenue; thence west along said centerline of Dudley Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the north property line of APN 4286029012; thence east along said north property line of said APN 4286029012 to the centerline of Speedway; thence south along said centerline of Speedway to the eastern

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prolongation of the southern property line of APN 4286029013; thence west along said southern property line of said APN 4286029013 to the northern prolongation of the eastern property line of APN 4286029017; thence south along said eastern property line of said APN 4286029017 to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Horizon Court; thence east along said centerline of Horizon Court to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238011004; thence east along said northern property line of said APN 4238011004 to the centerline of Park Row; thence north along said centerline of Park Row to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Clubhouse Avenue; thence east along said centerline of Clubhouse Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Thornton Place; thence west along said centerline of Thornton Place to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Rose Avenue; thence west along said centerline of Rose Avenue to the southerly prolongation of the western property line of APN 4286017093; thence north along said western property line of said APN 4286017093, crossing Navy Street and continuing along the western property line of APN 4288006013 to its intersection with the northern property line of said APN 4288006013; thence east along said northern property line of said APN 4288006013 to its intersection with the eastern property line of said APN 4288006013; thence south along said eastern property line of said APN 4288006013 to the centerline of Navy Street; thence east along said centerline of Navy Street to the centerline of Main Street; thence north along said centerline of Main Street to the westerly prolongation of the northern property line of APN 4286003001; thence east along said northern property line of said APN 4286003001 and APN 4286003019 and continuing to the centerline of Hampton Drive; thence south along said centerline of Hampton Drive to the centerline Rose Avenue; thence east along said centerline Rose Avenue to the centerline of 4th Avenue; thence south along said centerline of 4th Avenue to the centerline of Vernon Avenue; thence west along said centerline of Vernon Avenue to the southerly prolongation of the western property line of APN 4286007015; thence north along said western property line of said APN 4286007015 to the centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue; thence west along said centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Vernon Avenue; thence east along said centerline of Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Indiana Avenue; thence east along said centerline of Indiana Avenue to the unnamed alley that lies immediately east of and parallel to Hampton Drive, thence south along said centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive to the easterly prolongation of the southern property line of APN 4286010044; thence west along said southern property line of said APN 4286010044 to the centerline of Douglas Place; thence south along said centerline of Douglas Place to the centerline of Brooks Avenue; thence west along said centerline of Brooks Avenue to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney to the centerline of Westminster Avenue; thence west along said centerline of Westminster

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Avenue to the centerline of Riviera Avenue; then south along said centerline of Riviera Avenue to the centerline of San Juan Avenue; thence west along said centerline of San Juan Avenue to the southerly prolongation of the western property line of APN 4238010009; thence north along said western property line of said APN 4238010009 to the centerline of Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of the unnamed alley that runs immediately east of and parallel to Main Street; thence south along said centerline of the unnamed alley that runs immediately east of and parallel to Main Street and continuing across San Juan Avenue to the northerly prolongation of the eastern property line of APN 4238010016; thence south along said eastern property line of said APN 4238010016 and continuing across Horizon Avenue to the centerline of Granada Court; thence south along said centerline of Granada Court to the northerly prolongation of the eastern property line of APN 4238013006; thence south along said eastern property line of said APN 4238013006 to the centerline of Windward Avenue; thence west along said centerline of Windward Avenue to the centerline of Grand Boulevard; thence east along said centerline of Grand Boulevard to the northerly prolongation of the eastern property line of APN 4238021001; thence south along said eastern property line of said APN 4238021001 to the centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard; thence east along said centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard to the to the northerly prolongation of the eastern property line of APN 4238021025; thence south along said eastern property line of said APN 4238021025 to the centerline of Venice Way; thence west along said centerline of Venice Way to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the centerline of 18th Avenue; thence west along said centerline of 18th Avenue to the southerly prolongation of the western property line of APN 4226010011; thence north along said western property line of said APN 4226010011 and continuing across 17th Place and along the western property line of APN 4226010018 to the centerline of 17th Avenue; thence west along said centerline of 17th Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of 19th Avenue; thence west along said centerline of 19th Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the northern property line of APN 4226013006; thence east along said northern property line of said APN 4226013006 to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of 20th Place; thence east along said centerline of 20th Place to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238022001; thence east along said northern property line of said APN 4238022001 to the centerline of Strongs Drive; thence south along said centerline of Strongs Drive to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the northerly prolongation of the eastern property line of APN 4238024906; thence south along said eastern property line of said APN 4238024906 to its intersection with the northern property line of APN 4238024907; thence east along said northern property line of said APN 4238024907 and continuing across Dell Avenue and along the northern property lines of APN 4238025901 and APN 4238025902 to the intersection of the northern property line of said APN 4238025902 with the western property line of APN 4238025903; thence north along said western property line of said APN 4238025903 to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney Boulevard to the centerline of South Venice Boulevard; thence west along said centerline of South Venice Boulevard to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of North Venice Boulevard; thence west along said centerline of North

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Venice Boulevard to the northerly prolongation of the eastern boundary of APN 4226014018; thence south along said eastern boundary of said APN 4226014018 to the centerline of Center Court; thence west along said centerline of Center Court to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard and continuing across Ocean Front Walk and along the southern property line of APN 4226001900 to its intersection with the western property line of APN 4226001900; thence north along said western property line of said APN 4226001900 to the centerline of Market Street; thence east along said centerline of Market Street to the southerly prolongation of the western boundary line of APN 4226001902; thence north along said western boundary line of said APN 4226001902 to its intersection with the northern boundary of APN 4226001902; thence east along said northern boundary of said APN 4226001902 to its intersection with the western property line of APN 4226001901, thence north along the western property lines of said APN 4226001901 and continuing along the western property lines of APNs 4286027902, 4286028902, 4286029902, 4286030903, 4288029909, 4288029910 and 4288029914 to the intersection of said APN 4288029914 with the northern boundary of said APN 4288029914, the True Point of Beginning.

There are two zones within the District. The exterior perimeter boundaries of Zone 1 and Zone 2 are more specifically described as follows:

Zone 1

Beginning at the True Point of Beginning at the westerly edge of the northern property line of APN 4288029914; thence east along the northern property line of APN 4288029914 and continuing along the centerline of Barnard Way to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the centerline of Ozone Avenue; thence east along said centerline of Ozone Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Dudley Avenue; thence west along said centerline of Dudley Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the north property line of APN 4286029012; thence east along said north property line of said APN 4286029012 to the centerline of Speedway; thence south along said centerline of Speedway to the eastern prolongation of the southern property line of APN 4286029013; thence west along said southern property line of said APN 4286029013 to the northern prolongation of the eastern property line of APN 4286029017; thence south along said eastern property line of said APN 4286029017 to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of Horizon Court; thence east along said centerline of Horizon Court to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238011004; thence east along said northern property line of said APN 4238011004 to the centerline of Park Row; thence north along said centerline of Park Row to the centerline of Westminster Avenue; thence east along said centerline of Westminster Avenue to the centerline of Riviera Avenue; thence south along said centerline of Riviera Avenue to the centerline of San Juan Avenue; thence west along said centerline of San Juan Avenue to the southerly prolongation of the western property line of APN 4238010009; thence north along said western property line of said APN 4238010009 to the centerline of

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Westminster Avenue; thence west along said centerline of Westminster Avenue to the centerline of the unnamed alley that runs immediately east of and parallel to Main Street; thence south along said centerline of the unnamed alley that runs immediately east of and parallel to Main Street and continuing across San Juan Avenue to the northerly prolongation of the eastern property line of APN 4238010016; thence south along said eastern property line of said APN 4238010016 and continuing across Horizon Avenue to the centerline of Granada Court; thence south along said centerline of Granada Court to the northerly prolongation of the eastern property line of APN 4238013006; thence south along said eastern property line of said APN 4238013006 to the centerline of Windward Avenue; thence west along said centerline of Windward Avenue to the centerline of Grand Boulevard; thence east along said centerline of Grand Boulevard to the northerly prolongation of the eastern property line of APN 4238021001; thence south along said eastern property line of said APN 4238021001 to the centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard; thence east along said centerline of the unnamed alley that lies immediately south of and parallel to Grand Boulevard to the northerly prolongation of the eastern property line of APN 4238021025; thence south along said eastern property line of said APN 4238021025 to the centerline of Venice Way; thence west along said centerline of Venice Way to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the centerline of 18th Avenue; thence west along said centerline of 18th Avenue to the southerly prolongation of the western property line of APN 4226010011; thence north along said western property line of said APN 4226010011 and continuing across 17th Place and along the western property line of APN 4226010018 to the centerline of 17th Avenue; thence west along said centerline of 17th Avenue to the centerline of Speedway; thence south along said centerline of Speedway to the centerline of 19th Avenue; thence west along said centerline of 19th Avenue to the centerline of Ocean Front Walk; thence south along said centerline of Ocean Front Walk to the westerly prolongation of the northern property line of APN 4226013006; thence east along said northern property line of said APN 4226013006 to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of 20th Place; thence east along said centerline of 20th Place to the centerline of Pacific Avenue; thence south along said centerline of Pacific Avenue to the westerly prolongation of the northern property line of APN 4238022001; thence east along said northern property line of said APN 4238022001 to the centerline of Strongs Drive; thence south along said centerline of Strongs Drive to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the northerly prolongation of the eastern property line of APN 4238024906; thence south along said eastern property line of said APN 4238024906 to its intersection with the northern property line of APN 4238024907; thence east along said northern property line of said APN 4238024907 and continuing across Dell Avenue and along the northern property lines of APN 4238025901 and APN 4238025902 to the intersection of the northern property line of said APN 4238025902 with the western property line of APN 4238025903; thence north along said western property line of said APN 4238025903 to the centerline of North Venice Boulevard; thence east along said centerline of North Venice Boulevard to the centerline of Abbot Kinney Boulevard; thence south along said centerline of Abbot Kinney Boulevard to the centerline of South Venice Boulevard; thence west along said centerline of South Venice Boulevard to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard to the northerly prolongation of

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the eastern boundary of APN 4226014018; thence south along said eastern boundary of said APN 4226014018 to the centerline of Center Court; thence west along said centerline of Center Court to the centerline of Speedway; thence north along said centerline of Speedway to the centerline of North Venice Boulevard; thence west along said centerline of North Venice Boulevard and continuing across Ocean Front Walk and along the southern property line of APN 4226001900 to its intersection with the western property line of APN 4226001900; thence north along said western property line of said APN 4226001900 to the centerline of Market Street; thence east along said centerline of Market Street to the southerly prolongation of the western boundary line of APN 4226001902; thence north along said western boundary line of said APN 4226001902 to its intersection with the northern boundary of APN 4226001902; thence east along said northern boundary of said APN 4226001902 to its intersection with the western property line of APN 4226001901, thence north along the western property lines of said APN 4226001901 and continuing along the western property lines of APNs 4286027902, 4286028902, 4286029902, 4286030903, 4288029909, 4288029910 and 4288029914 to the intersection of said APN 4288029914 with the northern boundary of said APN 4288029914, the True Point of Beginning.

Zone 2

Beginning at the northwest corner of Zone 2, at the intersection of the western and northern property lines of APN 4288006013; thence east along said northern property line of said APN 4288006013 to its intersection with the eastern property line of said APN 4288006013; thence south along said eastern property line of said APN 4288006013 to the centerline of Navy Street; thence east along said centerline of Navy Street to the centerline of Main Street; thence north along said centerline of Main Street to the westerly prolongation of the northern property line of APN 4286003001; thence east along said northern property line of said APN 4286003001 and APN 4286003019 and continuing to the centerline of Hampton Drive; thence south along said centerline of Hampton Drive to the centerline Rose Avenue; thence east along said centerline Rose Avenue to the centerline of 4th Avenue; thence south along said centerline of 4th Avenue to the centerline of Vernon Avenue; thence west along said centerline of Vernon Avenue to the southerly prolongation of the western property line of APN 4286007015; thence north along said western property line of said APN 4286007015 to the centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue; thence west along said centerline of the unnamed alley that lies immediately north of and parallel to Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Vernon Avenue; thence east along said centerline of Vernon Avenue to the centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive; thence south along said unnamed alley that lies immediately east of and parallel to Hampton Drive to the centerline of Indiana Avenue; thence east along said centerline of Indiana Avenue to the unnamed alley that lies immediately east of and parallel to Hampton Drive, thence south along said centerline of the unnamed alley that lies immediately east of and parallel to Hampton Drive to the easterly prolongation of the southern property line of APN 4286010044; thence west along said southern property line of said APN 4286010044 to the centerline of Douglas Place; thence south along said centerline of Douglas Place to the centerline of Brooks Avenue; thence west along said centerline of Brooks Avenue to the centerline of Abbot

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Kinney Boulevard; thence south along said centerline of Abbot Kinney to the centerline of Westminster Avenue; thence east along said centerline of Westminster Avenue to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Clubhouse Avenue; thence east along said centerline of Clubhouse Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Thornton Place; thence west along said centerline of Thornton Place to the centerline of Pacific Avenue; thence north along said centerline of Pacific Avenue to the centerline of Sunset Avenue; thence east along said centerline of Sunset Avenue to the centerline of Main Street; thence north along said centerline of Main Street to the centerline of Rose Avenue; thence west along said centerline of Rose Avenue to the southerly prolongation of the western property line of APN 4286017093; thence north along said western property line of said APN 4286017093, crossing Navy Street and continuing along the western property line of APN 4288006013 to its intersection with the northern property line of said APN 4288006013, the point of beginning for Zone 2.

A list of all parcels included in the proposed Venice Beach BID is shown as Appendix 1, attached to this Report with their respective Los Angeles County assessor parcel number and common site addresses. The boundary of the proposed Venice Beach BID and parcels within it are shown on the map of the District attached as Appendix 2 to this Report.

The boundary of the proposed Venice Beach BID and benefit zones and parcels within it are shown on the Boundary Map attached as Appendix 2 to this Report.

All identified parcels within the above-described boundaries shall be assessed to fund special benefit programs, services and improvements as outlined in this Report as well as the Management District Plan. Services, programs and improvements will only be provided to the assessed parcels inside the District boundaries and none will be provided outside of the District boundaries. Each assessed parcel and land use within the Venice Beach BID will proportionately specially benefit from the BID funded supplemental clean and safe programs; district identity and special projects (except as noted herein); and, administration and management as described in more detail under “Work Plan”, beginning on page 19 of this Report.

Finding 2. From Section 4(a): “Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. “

QUANTITATIVE BENEFIT ANALYSIS

As stipulated in Article XIIIID Section 4(b) of the California Constitution, assessment District programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined

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by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large.

The property uses within the boundaries of the BID that will receive special benefits from BID funded programs and services are currently a mix of commercial, industrial, government and residential. No parcels within the District are zoned solely residential. Services, programs and improvements provided and funded by the BID are primarily designed to provide special benefits as described below to identified assessed parcels and the array of land uses within the boundaries of the District.

The proposed BID programs, improvements and services and Year 1 – 2017 budget allocation by benefit zone are as follows (see beginning on page 19 of this Report for more detailed descriptions of proposed Venice Beach BID programs and services and how each parcel and land use type specially benefits):

Year 1 – 2017 District Special Benefit Cost Allocations (Assessment Revenue Only)

<u>YEAR 1 -2017</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 1 - 2016	% of Total
Clean & Safe	\$857,662	\$494,596	\$1,352,258	73%
District Identity & Special Projects	\$82,241	\$47,427	\$129,668	7%
Administration & Management	\$234,976	\$135,506	\$370,482	20%
TOTAL	\$1,174,879	\$677,529	\$1,852,408	100%

Assessed commercial/industrial parcels as well as commercial portions of mixed use parcels and government owned parcels with commercial uses and activities on them are conferred proportionate special benefits from all BID funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and investors. For these parcels, BID programs, services and improvements are designed to increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for patrons, visitors and employees of these parcels within the Venice Beach BID by reducing crime, litter and debris and professionally marketing the array of goods and services available within the BID, all considered necessary in a competitive properly managed business district.

For Government owned and occupied parcels and facilities without commercial portions within the BID, each of these parcels specially benefit, but differently than commercial/industrial type parcels, from BID funded programs and services from cleaner and safer facilities for their employees, students, visitors, vendors and other users of these public locations and facilities. (See Step 1, beginning on page 28 of this Report for a more detailed explanation of assessment rates and special benefits for Government owned/occupied parcels). Government owned and occupied parcels and facilities will not benefit from district identity and special project programs and will not be assessed for them. In the case of assessed

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Government owned and occupied parcels and facilities, BID funded programs and services are designed to provide safer and enhanced facility frontages for their employees, students, visitors, vendors and users of these parcels and facilities.

For residential parcels and residential portions of mixed use parcels within the BID (all located on commercial or industrial zoned parcels), it is the opinion of this Assessment Engineer that each of these parcels and uses specially benefit similarly to commercial/industrial parcels, from the clean and safe and district identity and special project programs designed to improve the cleanliness, security, marketability and livability of these parcels and residential units on them. Since the majority of residential units within the Venice Beach BID are used as business enterprises, live/work units, rental units, or vacation rental units whether single family units, apartments or residential condominiums, it is the opinion of this Assessment Engineer that each residential unit shall be treated as an existing or potential for-profit business enterprise, live/work unit, rental unit, or vacation rental unit. As such, the proportionate special benefits conferred on all residential parcels and units shall be considered similar to those conferred on commercial/industrial parcels within the Venice Beach BID. For these parcels, BID programs, services and improvements are designed to increase residential rental occupancies, rental income and return on investments. These programs, services and improvements are designed to improve commerce, security and aesthetic appeal for tenants, visitors and landlords of these parcels within the Venice Beach BID by reducing crime, litter and debris and increasing the safety and attractiveness of residential rental units within the BID and the nearby array of tourist related goods, services and activities, all considered necessary in a competitive properly managed tourist-based business district.

These benefits are particular and distinct to each and every identified and assessed parcel within the Venice Beach BID and are not provided to non-assessed parcels outside of the District. These programs, services and improvements will only be provided to each individual assessed parcel within the PBID boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

In the case of the Venice Beach BID, the very nature of the purpose of this District is to fund supplemental programs, services and improvements to assessed parcels within the BID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The City of Los Angeles does not provide these programs and services. All benefits derived from the assessments to be levied on assessed parcels within the BID are for services, programs and improvements directly benefiting each individual assessed parcel within the BID. No BID funded services, activities or programs will be provided outside of the BID boundaries.

While every attempt is made to provide BID services and programs to confer benefits only to those identified assessed parcels within the BID, the California State Constitution was amended via Proposition 218 to stipulate that general benefits exist, either by design or unintentional, in all assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. General benefits might be conferred on parcels within the District, or "spillover" onto parcels surrounding the

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District, or to the public at large who might be passing through the District with no intention of transacting business within the District or interest in the District itself.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 1-5% of the total costs. There are three methods that have been used by this Engineer for determining general and special benefit values within assessment districts:

- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs in California for which this Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, (Article XIII D Section 4(b) of the California Constitution) have used Method #3, the composite district overlay determinant method which will be used for the Venice Beach BID. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the District, general benefit to the public at large within the District and general benefit to parcels outside the District.

General Benefit – Assessed Parcels within District

BID funded programs are narrowly designed and carefully implemented to specially benefit the assessed District parcels and are only provided for the special benefit to each and every assessed parcel within the District. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that 100% of benefits conferred on assessed parcels within the District are distinct and special and that there are 0% general benefits conferred on these parcels. This is because the BID funded programs and services are specially geared to the unique needs of each assessed parcel within the BID and are directed specially only to these assessed parcels within the BID. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the District as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics unique to each assessed parcel.

General Benefit - Public At Large

While the Venice Beach BID funded programs are narrowly designed and carefully implemented to specially benefit the assessed District properties and are only provided for the special benefit to each and every assessed parcel within the District, these BID funded programs may also provide an incidental general benefit to the public at large within the District. Assessment Engineering experience in California has found that generally over 95% of people moving about within BID boundaries are engaged in business related to assessed parcels and businesses contained on them within the District, while the public at large “just passing through” is typically much less than 5%. Based on this experience curve and the focused nature of the proposed Venice Beach BID funded programs and over 30 years of assessment engineering

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experience, it is the opinion of this Engineer that a general benefit factor of 0.01 (1%) of BID funded special benefit program costs that might provide an immediate general benefit to the public at large will be applied to these applicable program costs in order to compute the dollar and percent value of general benefits to the public at large. It is the opinion of this Engineer that the programs that may provide immediate general benefits to the public at large are Clean & Safe Programs. The dollar value of this general benefit type equates to \$9,871 as delineated in the following chart:

	A	B	C	D	E
Program Element	Dollar Allocation	% Allocation of Special Benefit Cost	General Benefit Factor	General Benefit Percent (B x C)	General Benefit Value (D x A)
Clean & Safe Programs	\$1,352,257	73%	0.01	0.73%	\$9,871

General Benefits – Outside Parcels

While District programs and services will not be provided directly to parcels outside the District boundaries, it is reasonable to conclude that District services may confer an indirect general benefit on parcels immediately adjacent to the District boundaries. An inventory of the District boundaries finds that the District is surrounded by 25 commercial zoned parcels with commercial uses located across streets or alleys on the perimeter of the District. In addition, there are 3 commercial zoned parcels tangent to assessed parcels within the District but outside the City limit.

The 25 parcels outside the District boundaries plus the 3 commercial parcels immediately adjacent to assessed parcels within the District can reasonably be assumed to receive some indirect general benefit as a result of BID funded programs, services and improvements. Based on over 30 years of assessment engineering experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 461 identified and assessed parcels within the District; a benefit factor of 0.10 be attributed to general benefits conferred on the 3 commercial parcels tangent to assessed parcels within the District and, a benefit factor of 0.05 be attributed to general benefits conferred on the 25 commercial parcels and uses located across the street from assessed parcels within the Venice Beach BID. The cumulative dollar value of this general benefit type equates to \$6,187 (\$1,197 + \$4,990) as delineated in the following chart:

Parcel Type	Quantity	Benefit Factor	Benefit Units	Benefit Percent	Benefit Value
Identified & assessed parcels in District	464	1.00	464.00	99.6671%	\$1,852,408
C-Zone commercial use parcels tangent to District	3	0.10	0.30	0.0644%	\$1,197
C-Zone commercial use parcels non-tangent to District	25	0.05	1.25	0.2685%	\$4,990
TOTAL			465.55	100.00%	\$1,858,595

Composite General Benefit

Based on the general benefit values delineated in the three sections above, the total value of general benefits conferred on assessed parcels within the District, the public at large and parcels outside the District equates to \$16,058 (\$0 + \$9,871 + \$6,187) or 0.86%. For the purposes of this analysis, the general benefit factor of 0.86% will be conservatively rounded up

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to 1% which equates to a general benefit value of \$18,711. This leaves a value of 99% assigned to special benefit related costs. The general benefit value of \$18,711 when added to the special benefit value of \$1,852,408 (Year 1 –2017 assessments) equates to a total Year 1 – 2017 program cost of \$1,871,119. Remaining costs that are attributed to general benefits, will need to be derived from other sources such as grants, donations, sponsors and program income.

BID Programs and Improvements

The projected program special benefit cost allocation for the 5 year Venice Beach BID term assuming a 5% maximum annual increase is as follows:

5 Year Projected District Special Benefit Costs - Assessment Revenue Only (assumes 5% annual increase)

<u>YEAR 1 -2017</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 1 - 2016	% of Total
Clean & Safe	\$857,662	\$494,596	\$1,352,258	73%
District Identity & Special Projects	\$82,241	\$47,427	\$129,668	7%
Administration & Management	\$234,976	\$135,506	\$370,482	20%
TOTAL	\$1,174,879	\$677,529	\$1,852,408	100%
<u>YEAR 2 -2018</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 2 - 2017	% of Total
Clean & Safe	\$900,545	\$519,326	\$1,419,871	73%
District Identity & Special Projects	\$86,353	\$49,798	\$136,151	7%
Administration & Management	\$246,725	\$142,281	\$389,006	20%
TOTAL	\$1,233,623	\$711,405	\$1,945,028	100%
<u>YEAR 3 -2019</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 3 - 2018	% of Total
Clean & Safe	\$945,572	\$545,292	\$1,490,864	73%
District Identity & Special Projects	\$90,671	\$52,288	\$142,959	7%
Administration & Management	\$259,061	\$149,395	\$408,456	20%
TOTAL	\$1,295,304	\$746,975	\$2,042,279	100%
<u>YEAR 4 -2020</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 4 - 2019	% of Total
Clean & Safe	\$992,851	\$572,557	\$1,565,408	73%
District Identity & Special Projects	\$95,204	\$54,902	\$150,106	7%
Administration & Management	\$272,014	\$156,865	\$428,879	20%
TOTAL	\$1,360,069	\$784,324	\$2,144,393	100%
<u>YEAR 5 -2021</u>				
ACTIVITY	ZONE 1	ZONE 2	TOTAL YR 5 -	% of

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			2020	Total
Clean & Safe	\$1,042,493	\$601,185	\$1,643,678	73%
District Identity & Special Projects	\$99,965	\$57,648	\$157,613	7%
Administration & Management	\$285,615	\$164,708	\$450,323	20%
TOTAL	\$1,428,073	\$823,541	\$2,251,614	100%

As discussed earlier in this Report, the general benefits (i.e. benefits to the general public and surrounding parcels outside the District but not to the assessed parcels themselves) of the proposed improvements, activities and services represent 1% of the total benefits generated and, in turn, 1% of the costs of the BID funded improvements, activities and services provided. Thus, 1% of the total District costs will need to be funded by non-assessment revenue sources such as grants, donations, program income, etc. A delineation of both special and general benefit costs for each program element for each year of the 5 year BID term is shown in the table below:

Total Year 1 –5 (2017-2021) Special + General Benefit Allocations/Costs

SPECIAL + GENERAL BENEFIT COSTS BY CATEGORY & ZONE	Clean and Safe	District Identity	Admin	TOTAL
ZONE 1				
Year 1 - 2017 Special Benefit Cost	\$857,662	\$82,241	\$234,976	\$1,174,879
Year 1 - 2017 General Benefit Cost	\$8,663	\$831	\$2,373	\$11,867
Year 1 - 2017 Sub Total Costs	\$866,325	\$83,072	\$237,349	\$1,186,746
ZONE 2				
Year 1 - 2017 Special Benefit Cost	\$494,596	\$47,427	\$135,506	\$677,529
Year 1 - 2017 General Benefit Cost	\$4,996	\$479	\$1,369	\$6,844
Year 1 - 2017 Sub Total Costs	\$499,592	\$47,906	\$136,875	\$684,373
Total Yr 1 Special Benefit Costs	\$1,352,258	\$129,668	\$370,482	\$1,852,408
Total Yr 1 General Benefit Costs	\$13,659	\$1,310	\$3,742	\$18,711
TOTAL YR 1 - 2017 COSTS	\$1,365,917	\$130,978	\$374,224	\$1,871,119
ZONE 1				
Year 2 - 2018 Special Benefit Cost	\$900,545	\$86,353	\$246,725	\$1,233,623
Year 2 - 2018 General Benefit Cost	\$9,096	\$872	\$2,492	\$12,460
Year 2 - 2018 Sub Total Costs	\$909,641	\$87,225	\$249,217	\$1,246,083
ZONE 2				
Year 2 - 2018 Special Benefit Cost	\$519,326	\$49,798	\$142,281	\$711,405
Year 2 - 2018 General Benefit Cost	\$5,246	\$503	\$1,437	\$7,186
Year 2 - 2018 Sub Total Costs	\$524,572	\$50,301	\$143,718	\$718,591
TOTAL YR 2 Special Benefit Costs	\$1,419,871	\$136,151	\$389,006	\$1,945,028
TOTAL YR 2 General Benefit Costs	\$14,342	\$1,375	\$3,929	\$19,646
TOTAL YR 2 - 2018 COSTS	\$1,434,213	\$137,526	\$392,935	\$1,964,674
ZONE 1				
Year 3 - 2019 Special Benefit Cost	\$945,572	\$90,671	\$259,061	\$1,295,304
Year 3 - 2019 General Benefit Cost	\$9,551	\$916	\$2,617	\$13,084
Year 3 - 2019 Sub Total Costs	\$955,123	\$91,587	\$261,678	\$1,308,388

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ZONE 2				
Year 3 - 2019 Special Benefit Cost	\$545,292	\$52,288	\$149,395	\$746,975
Year 3 - 2019 General Benefit Cost	\$5,508	\$528	\$1,509	\$7,545
Year 3 - 2019 Sub Total Costs	\$550,800	\$52,816	\$150,904	\$754,520
TOTAL YR 3 Special Benefit Costs	\$1,490,864	\$142,959	\$408,456	\$2,042,279
TOTAL YR 3 General Benefit Costs	\$15,059	\$1,444	\$4,126	\$20,629
TOTAL YR 3 - 2019 COSTS	\$1,505,923	\$144,403	\$412,582	\$2,062,908
ZONE 1				
Year 4 - 2020 Special Benefit Cost	\$992,851	\$95,204	\$272,014	\$1,360,069
Year 4 - 2020 General Benefit Cost	\$10,029	\$962	\$2,748	\$13,739
Year 4 - 2020 Sub Total Costs	\$1,002,880	\$96,166	\$274,762	\$1,373,808
ZONE 2				
Year 4 - 2020 Special Benefit Cost	\$572,557	\$54,902	\$156,865	\$784,324
Year 4 - 2020 General Benefit Cost	\$5,783	\$555	\$1,584	\$7,922
Year 4 - 2020 Sub Total Costs	\$578,340	\$55,457	\$158,449	\$792,246
TOTAL YR 4 Special Benefit Costs	\$1,565,408	\$150,106	\$428,879	\$2,144,393
TOTAL YR 4 General Benefit Costs	\$15,812	\$1,517	\$4,332	\$21,661
TOTAL YR 4 - 2020 COSTS	\$1,581,220	\$151,623	\$433,211	\$2,166,054
ZONE 1				
Year 5 - 2021 Special Benefit Cost	\$1,042,493	\$99,965	\$285,615	\$1,428,073
Year 5 - 2021 General Benefit Cost	\$10,530	\$1,010	\$2,885	\$14,425
Year 5 - 2021 Sub Total Costs	\$1,053,023	\$100,975	\$288,500	\$1,442,498
ZONE 2				
Year 5 - 2021 Special Benefit Cost	\$601,185	\$57,648	\$164,708	\$823,541
Year 5 - 2021 General Benefit Cost	\$6,073	\$582	\$1,664	\$8,319
Year 5 - 2021 Sub Total Costs	\$607,258	\$58,230	\$166,372	\$831,860
TOTAL YR 5 Special Benefit Costs	\$1,643,678	\$157,613	\$450,323	\$2,251,614
TOTAL YR 5 General Benefit Costs	\$16,603	\$1,592	\$4,549	\$22,744
TOTAL YR 5 - 2021 COSTS	\$1,660,281	\$159,205	\$454,872	\$2,274,358

WORK PLAN

Overview

The property uses within the boundaries of the BID which will receive special benefits from BID funded programs and services are currently a mix of commercial, industrial, government and residential (on commercial zoned properties). BID funded activities are primarily designed to provide proportionate special benefits as described below to identified assessed parcels and the commercial land uses within the boundaries of the District. The range of proposed BID funded special benefit programs, services and improvements includes: clean and safe programs; district identity and special projects; and, administration and management.

BID funded clean and safe programs enhance each assessed parcel by improving the aesthetic appearance and security of each assessed parcel frontage for enhanced attraction and security for its business tenants, employees, customers, clients and visitors. The district identity and special projects provide important and beneficial information, alerts and news to

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property and business owners of each assessed parcel within the Venice Beach BID via quarterly newsletters and an active and informative District website. BID funded programs, services and improvements may improve commerce and aesthetic appeal to attract new patrons, visitors and employees of assessed parcels within the Venice Beach BID by reducing litter and debris and crime and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district. The special benefits conferred on each parcel and land use type are delineated in the sections below.

The proposed Venice Beach BID will provide the following programs and services for each individual parcel assessed in the BID:

1) Clean and Safe Services \$1,365,917 (Special and General Benefit Costs)

“Clean” programs encompass all sidewalk, curb and other right-of-way services in the District and includes: sweeping, litter removal, bulky item removal, enhanced emptying of trash cans, pressure washing/steam cleaning, graffiti/flyer/sticker/gum removal, tree trimming and weeding. Clean also includes the cost of equipment necessary to provide these services. Clean may also include property owner notification of conditions on private property that are unsafe or unfavorable to creating and preserving a clean and safe environment in the District (e.g. broken window/gate, vandalism, accumulated debris/garbage, etc.) Clean may also include notification to the City or other entities as appropriate (e.g. utilities) of any damage to public infrastructure or utilities.

“Safe” programs encompass all patrol/ambassadorial services in the District and includes: personnel on foot, bike, or other vehicles (e.g. segways, trucks, etc.), ambassadors (specially trained personnel able to provide directions, transit information, business information, event information, social service referrals, etc.), emergency assistance, crowd control, crime prevention activities (e.g. Neighborhood Watch), escort services and distribution of special bulletins (e.g. street closures, emergency alerts.) Safe also includes the cost of equipment necessary to provide these services.

The goal of both clean and safe programs is the same: to establish and maintain a clean, safe, beautiful and friendly District by providing these services to all the individually assessed parcels in the District. The special benefits conferred by these programs are discussed later in this section. Various levels of clean and safe activities will be required over time to maintain the District.

To assist the Owners’ Association in budgeting and the deployment of resources, an incident-tracking software/database will be developed to track calls for clean and safe services for individually assessed parcels in the District. This data will help ensure that negative public safety trends are identified quickly and can be addressed efficiently and effectively so that crime, litter and blight do not deter pedestrian activity and commerce.. The database will be developed and expanded as funds are available to implement this goal.

Zone 1 shall receive twice the frequency of clean and safe services as Zone 2. Although the future Board of Directors shall consider and approve the actual deployment schedule, in general, Zone 1’s highest demand for services occurs from

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late morning through the night. Zone 2’s highest demand for clean and safe services occurs in the early morning and the early evening, with notably lesser needs during the day and night. Also, Zone 1’s service demand fluctuates more day-to-day (with highest demands occurring Thursday – Saturday afternoon/evening/night, on holidays, and seasonally, from Spring through Fall.) Zone 2’s service demand is much more consistent across each day of the week, and throughout the year. Zone 1’s needs are most heavily determined by intense visitor/tourist traffic which peaks in the warmer months, and on weekends throughout the year. Zone 2’s needs are more driven by local employees, residents and visitors; tourism is a factor, but plays a much smaller role in Zone 2 demand.

“Clean” programs will assist in enhancing the image of each individual assessed parcel in the BID. For commercial and industrial parcels “clean” programs are designed to increase vehicular and pedestrian traffic within the BID that is intended to increase commerce and customer activity, attract and retain new business and patrons for assessed commercial and industrial parcels within the BID boundaries, increase commercial/industrial rents and occupancies as well as maintain or improve upon the tourist base. In the case of assessed Government owned parcels and facilities, BID funded “clean” programs provide cleaner frontages for their employees, students, visitors, vendors and users of these public facilities. Further, in the case of assessed commercial or industrial-zoned residential uses, BID funded “clean” programs improve the aesthetic appeal of each assessed residential type parcel for tenants, visitors and landlords, which, in turn, is intended to increase residential occupancies and return on investment.

“Safe” programs will assist in creating a safe and secure environment for each individual assessed parcel in the Venice Beach BID. For commercial and industrial parcels, BID funded “safe” programs are designed to increase vehicular and pedestrian traffic, increase commerce and customer activity, attract and retain new business and patrons, as well as increase commercial rents and commercial occupancies for the assessed parcels commercial and industrial parcels within the BID boundaries. In the case of assessed Government owned parcels and facilities, BID funded “safe” programs are designed to provide safer frontages of Government owned parcels and facilities for their employees, students, visitors, vendors and users of these public facilities. . Further, in the case of assessed commercial or industrial-zoned residential uses, BID funded “safe” programs are designed to improve the security of each residential type parcel for tenants, visitors and landlords, which, in turn, is intended to increase residential occupancies and return on investment. Each assessed parcel will proportionally specially benefit from the security programs and services.

2) District Identity and Special Projects \$130,978 (Special and General Benefit Costs)

District Identity & Special Projects includes activities such as: production of a quarterly (minimum frequency) newsletter that shall be distributed to all property owners in the District, efforts to cultivate and recognize the satisfaction, retention and attraction of businesses, employees and customers/visitors, advertising, response to media inquiries, cultivation of media exposure, and promotion of the District as a great place to live, work or visit through a website and/or social media. To the extent that funds are available, it could also include holiday lighting, street banners, way-finding activities, art installation or development of special events (e.g. festival) or other community identity and branding efforts that promote the District, its residents, businesses, services and amenities.

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This component, district identity & special projects is designed to specially benefit and improve the marketability of the array of goods and services provided by businesses on each identified and assessed parcel within the BID. This special benefit program is designed to attract more commercial customers and clients, employees, tenants and investors which may, in turn, increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments for each commercial/industrial parcel and business within the BID. Government owned/occupied parcels and facilities (except select parcels which have commercial operations such as paid public parking) will not specially benefit from this program element and thus, shall not be assessed for these programs. This is discussed in more detail on page 24 of this Report. District Identity and Special Projects will only be provided for those individually assessed parcels located within the BID boundaries.

3) Administration and Management \$374,224 (Special and General Benefit Costs)

Administration & Management includes activities such as: personnel, operations, professional services (e.g. legal, accounting, insurance), production of the Annual Planning Report and Budget and quarterly reports, facilitation of meetings of the Owners' Association, Brown Act compliance, outreach to District property and business owners, and participation in professional peer/best practice forums such as the LA BID Consortium, the California Downtown Association or the International Downtown Association. It also covers the costs associated with District formation, as well as City and/or County fees associated with their oversight of the District and the Owners' Association's compliance with the terms of its contract with the City, and the implementation of the Management District Plan and the Engineer's Report.

This component is key to the proper expenditure of BID assessment funds and the administration of BID programs and activities that are intended to promote business within the BID boundaries through increased commerce and the attraction and retention of new business. The BID Program Management program exists only for the purposes of the BID and will only be provided for matters pertaining to each individual assessed parcel within the BID boundaries. All parcels and land use types within the District will specially benefit from this key program element which supports each of the special benefits conferred by each of the program elements described above.

In summary, all of the above programs, services and improvements work together to provide a cleaner, safer and more economically viable place for each assessed parcel in the district. The property uses within the boundaries of the BID that will receive special benefits from BID funded programs and services are currently a mix of commercial, industrial, government and residential (on commercial zoned properties). Programs, services and improvements provided by the BID are primarily designed to provide special benefits as described above to identified assessed parcels and the array of land uses within the boundaries of the District. The proposed BID assessments will only be levied on identified parcels within the BID boundaries and assessment revenues will be spent to deliver services that only provide a direct and special benefit to assessed parcels and to improve the economic vitality of these parcels. Each assessed parcel and land use within the Venice Beach BID will proportionately and specially benefit from the BID funded supplemental clean and safe programs, district identity and special projects (except as noted herein), and administration and management.

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The array of uses within the proposed Venice Beach BID include a mix of commercial, industrial, government and residential (on commercial zoned properties). Each of these uses and assessed parcels specially benefit from BID funded programs, services and improvements by potentially attracting more commercial clients, employees, tenants and investors as a result of these programs, services and improvements. This, in turn, may also increase business volumes, sales transactions, commercial occupancies, commercial rental income and return on investments. These programs, services and improvements are designed to improve commerce and aesthetic appeal for each assessed parcel within the Venice Beach BID and their patrons, visitors and employees by reducing litter and debris and crime and professionally marketing goods and services available within the BID, all considered necessary in a competitive properly managed business district.

The Proposed Venice Beach BID may increase the assessment for each individual parcel each year during the five year effective operating period, but in no event shall the assessment increase exceed 5% and must be approved by the Board of Directors, included in the Annual Planning Report and adopted by the City of Los Angeles City Council. The accrued interest and delinquent payments will be expended within the budgeted categories. The Board of the Directors of the Owners Association of the proposed Venice Beach BID shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The BID Director shall communicate the annual increase to the City of Los Angeles each year in which the BID operates at a time determined in the Administration Contract held between the Owners Association and the City of Los Angeles. Accrued interest and delinquent payments will be expended within the budget categories in the percentage amount indicated.

Assessments for the Fiscal Year beginning January 1, 2017 will be invoiced by the City of Los Angeles and assessments for subsequent fiscal years, through and including the Fiscal Year ending December 31, 2021 will be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles. The City of Los Angeles is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement the Management District Plan.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Owners’ Association shall have the right to reallocate up to 10% of any budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Board and included in the Annual Planning Report that will be approved by the Los Angeles City Council pursuant to Streets and Highways Code Section 36650. Accrued interest or delinquent payments may be expended in any budget category.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the fifth year of operation will be rolled over into the renewal budget or returned to stakeholders. BID assessment funds may be used to pay for costs related to the following BID renewal term. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners.

Finding 3. From Section 4(a): “(Determine) the proportionate special benefit derived by each parcel in relationship

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to the entirety of the.....cost of public improvement(s) or the maintenance and operation expenses.....or the cost of the property related service being provided.

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. Based on the specific needs and corresponding nature of the program activities to be funded by the proposed Venice Beach BID (i.e. clean and safe programs; district identity and special projects; and, administration and management) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage within two benefit zones.

The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. Larger parcels and ones with larger building areas and/or street frontages are expected to impact the demand for services and programs to a greater extent than smaller land and building areas and/or street frontages and thus, are assigned a greater proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on proportionate formula components and is listed as an attachment to the Management District Plan and this Report. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) is computed by dividing the individual parcel assessment by the total special benefit program costs.

Finding 4. From Section 4(a): “No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the proposed Venice Beach BID, they are also considerably less than other options considered by the proposed Venice Beach BID Formation Committee. The actual assessment rates for each parcel within the BID directly relate to the level of service and, in turn, special benefit to be conferred on each parcel based on the respective building area, land area and street frontage of each parcel within two benefit zones.

Finding 5. From Section 4(a): “Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment.....”

There are 33 identified and assessed Government owned parcels within the Venice Beach BID for which BID funded special benefit programs, services and improvements will be provided. Of the 33 assessed Government owned parcels, 24

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are owned by the City of Los Angeles, 7 by the State of California, 1 by the Los Angeles Unified School District (LAUSD), and 1 by the Metropolitan Transit Authority (LACMTA).

City, State and MTA Properties

For Government owned/occupied parcels and facilities within the BID (other than as delineated herein for LAUSD property), each of these parcels specially benefit from BID funded programs, services and improvements, but differently than commercial/industrial parcels, the special benefits include cleaner and safer facility frontages for their employees, students, visitors, vendors and other users of these public locations and facilities. It is the opinion of this Engineer that Government owned and occupied parcels will NOT benefit from commercial oriented district identity and special project related programs and, thus, will not be assessed for them.

Several City and State-owned parcels and one Metro-owned parcel within the District have been identified as parcels that shall not benefit from the District Identity & Special Projects category. These parcels include all of parcels fronting Ocean Front Walk, an access-way to the Venice canals, a dog park, a senior center and a bus maintenance yard that do not benefit from the marketing and promotion of the district. All of the City-owned parcels and State-owned parcels fronting Ocean Front Walk comprise the Venice Boardwalk and the beachfront property to the west of the Boardwalk. These parcels are collectively operated as a free public park, and so do not benefit from the marketing and promotion of the District or increased visitors to the area. Similarly, the pedestrian access-way to the Venice Canals, the dog park and the Senior Center do not benefit from increased visitors. Metro (the LA County regional transportation agency) owns and operates a bus maintenance yard in the District. As regional public transit operates with subsidies and does not make a profit, it also does not benefit from increased patronage due to marketing and promotion of the District. None of these public uses benefit from increased visitor and patron traffic in the way that commercial businesses and certain other public uses in the District (e.g. paid parking lots) do.

This finding is reflected in a modified assessment rate for these parcels that eliminates the budgetary allocation for district identity and special project programs (7%.) These parcels are identified in the table on page 27. It is further the opinion of this Engineer that Government owned parcels and facilities within the BID will specially benefit from “clean and safe” programs and related management, similar to the special benefits conferred on commercial/industrial parcels. These Government owned parcels will be assessed for 100% of the proportionate special benefits conferred upon them. It is noted that the property quantities for these parcels have been adjusted in the District totals in order to apply the equivalent proportionate assessment rates.

For Government owned parcels with commercial activities or uses on them (i.e. paid public parking, vendor space, pay to play recreation facilities, etc.), it is the opinion of this Assessment Engineer that these parcels will specially benefit from all BID funded programs, services and improvements, including district identity and special project programs and shall be assessed in a similar manner and at the same rates as commercial/industrial parcels in the District. These Government

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owned parcels will be assessed for 100% of the proportionate special benefits conferred upon them. These parcels are also identified in the table on page 27.

It is noted that the City-owned parcels along Ocean Front Walk shall receive full clean and safe and management services for all boardwalk frontage, all improvements (restrooms, buildings,) all paved/concrete areas (walkways, etc) and the extensive grassy knoll that abuts Ocean Front Walk. Any sand portion of these parcels shall not be patrolled and serviced nor, in turn, assessed.

LAUSD Property

Based on a review of streetscape and security services that the Los Angeles Unified School District (LAUSD) provides for the 1 parcel (elementary school) that they own and occupy within Zone 2 of the District, coupled with the finding that government owned and occupied parcels do not benefit from district identity and special project programs, it is the opinion of the Engineer that assessment formula rates for this parcel shall be as follows: 1) The building area rate shall be set at \$0.032 per square foot, the street frontage rate shall be set at \$5.80 per linear foot and the land area rate shall be set at \$0.0275 per square foot. These modified assessment rates fund supplemental District streetscape and security services that coincide with the levels of perimeter streetscape and security services already provided by LAUSD for the 1 parcel that they own within the District. The special benefits include cleaner and safer facility entrances and perimeters for their employees, students, visitors, vendors and other users of this public facility. Although the LAUSD parcel requires a different frequency of services than other individually assessed parcels in the district, the LAUSD parcel will pay for 100% of the proportionate special benefits conferred upon it. It is noted that the property quantities for this parcel have been adjusted in the District totals in order to apply the equivalent proportionate assessment rates.

Each identified and assessable Government owned parcel within the Venice Beach BID will proportionately specially benefit as delineated herein from the BID funded supplemental clean and safe and management programs, services and improvements. For identified assessable Government owned parcels and facilities, each of these parcels specially benefit from BID funded programs and services from cleaner and safer facility frontages for their employees, students, visitors, vendors and other users of these public locations and facilities. These services are designed to improve the safety and cleanliness for visitors, their employees and users of public facilities on Government owned parcels within the Venice Beach BID by reducing crime, litter and debris, all considered detractors to employment, visitation and use of public facilities if not contained and properly managed.

There is no compelling evidence that these identified and assessed Government owned parcels would not proportionately specially benefit from BID funded programs, services and improvements and, thus, will be assessed as delineated herein. All identified and assessed Government owned parcels within the Venice Beach BID are shown in the following Table:

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Zone	APN	Parcel Address	Property Owner	Use	Assessed for DI/SP?*	% of lot assessed? **	Parcel Assessment	% Ownership
Zone 1	4288029900	NONE	CITY OF LOS ANGELES	PUBLIC PARK / BEACH	NO	0%	\$1,074.75	0.06%
Zone 1	4226001900	26 W MARKET ST	L A CITY	PUBLIC PARK / BEACH	NO	67%	\$51,978.98	2.81%
Zone 1	4226001901	NONE	L A CITY	PUBLIC PARK / BEACH	NO	20%	\$30,484.93	1.65%
Zone 1	4226002900	2300 OCEAN FRONT WALK	L A CITY	PUBLIC PARK / BEACH	NO	25%	\$71,432.90	3.86%
Zone 1	4238014900	1608-1610 S PACIFIC AVE	L A CITY	VACANT/COMMERCIAL	YES	100%	\$7,440.29	0.40%
Zone 1	4238024900	2102 S PACIFIC AVE	L A CITY	PUBLIC PARKING	YES	100%	\$16,166.65	0.87%
Zone 1	4238024902	128 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$8,215.66	0.44%
Zone 1	4238024903	206 N VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$2,943.42	0.16%
Zone 1	4238024905	216 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$2,629.74	0.14%
Zone 1	4238024906	302 E VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$1,314.87	0.07%
Zone 1	4238024907	319 E SOUTH VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$24,976.40	1.35%
Zone 1	4238024908	2106 S CANAL ST	L A CITY	PUBLIC PARKING	YES	100%	\$4,069.87	0.22%
Zone 1	4238024909	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$703.20	0.04%
Zone 1	4238024910	210 N VENICE BLVD	L A CITY	PUBLIC PARKING	YES	100%	\$1,314.87	0.07%
Zone 1	4238024911	125 S VENICE BLVD	L A CITY	CANAL ACCESSWAY	NO	100%	\$4,456.56	0.24%
Zone 1	4238025901	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$4,073.60	0.22%
Zone 1	4238025902	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$22,171.43	1.20%
Zone 1	4238025903	NONE	L A CITY	PUBLIC PARKING	YES	100%	\$6,582.00	0.36%
Zone 1	4286027902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	20%	\$17,050.35	0.92%
Zone 1	4286028902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	5%	\$13,038.98	0.70%
Zone 1	4286029902	NONE	L A CITY	PUBLIC PARK / BEACH	NO	10%	\$17,922.96	0.97%
Zone 1	4286030903	NONE	L A CITY	PUBLIC PARK / BEACH	NO	60%	\$26,849.63	1.45%
Zone 2	4238018900	NONE	L A CITY	PUBLIC PARKING, LIBRARY	NO	100%	\$62,098.43	3.35%
Zone 2	4238002900	1234 S PACIFIC AVE	L A CITY	DOG PARK / SENIOR CTR	NO	100%	\$27,614.22	1.49%
L A CITY TOTAL							\$426,604.68	23.04%
Zone 2	4238002902	1010 ABBOT KINNEY BLVD	L A UNIFIED SCHOOL DIST	WESTMINSTER ELEMENTARY	n/a	n/a	\$24,020.88	1.30%
L A UNIFIED SCHOOL DIST TOTAL							\$24,020.88	1.30%
Zone 2	4286015900	100 SUNSET AVE	LACMTA	BUS MAINTENANCE & STORAGE YARD	NO	100%	\$35,933.09	1.94%
LACMTA TOTAL							\$35,933.09	1.94%
Zone 1	4226001902	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	100%	\$10,409.51	0.56%
Zone 1	4226001903	1502-1522 S OCEAN FRONT WALK	STATE OF CALIF	PUBLIC PARK / BEACH	NO	100%	\$20,722.86	1.12%
Zone 1	4288029909	120 OCEAN FRONT WALK	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$5,091.40	0.27%
Zone 1	4288029910	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$750.58	0.04%
Zone 1	4288029916	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$0.00	0.00%
Zone 1	4288029906	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$0.00	0.00%
Zone 1	4288029914	NONE	STATE OF CALIF	PUBLIC PARK / BEACH	NO	0%	\$333.89	0.02%
STATE OF CALIF TOTAL							\$37,308.23	2.01%
ALL PUBLICLY OWNED PARCELS							\$523,866.88	28.29%

Finding 6. From Section 4(b): “All assessments must be supported by a detailed engineer’s report prepared by a registered professional engineer certified by the State of California”.

This report serves as the “detailed engineer’s report” to support the benefit property assessments proposed to be levied within the proposed Venice Beach BID.

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Finding 7. From Section 4(c): “The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.”

The individual and total parcel assessments attributable to special property benefits are shown on Appendix 1 to the Management District Plan and this Report. The proposed District and resultant assessment payments will continue for 5 years and may be renewed again at that time. The reasons (purposes) for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is attributed to building area, land area and street frontage.

Assessment Formula Methodology

Step 1. Select “Basic Benefit Unit(s)”

General Assessment Formula Development

The method used to determine special benefits derived by each identified property within a BID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Venice Beach BID, the benefit unit may be measured in linear feet of street frontage or parcel size in square feet or building size in square feet or any combination of these factors. Factor quantities for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the BID in order to determine any levels of different benefit that may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, are estimated. It is noted, as stipulated in Article XIID Section 4(b) of the California Constitution, and now required of all property based assessment Districts, indirect or general benefits costs may not be incorporated into the assessment formula and levied on the District properties; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Article XIID Section 4(b) of the California Constitution also no longer automatically exempts government owned property from being assessed unless the respective public agency can provide

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clear and convincing evidence that their property does not specially benefit from the programs and services to be funded by the proposed special assessments. If special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments. (See beginning on page 24 of this Report for discussion regarding government owned parcels within the Venice Beach BID).

From the estimated net program costs, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionally or “spread” amongst all benefitting properties within the BID.

The method and basis of spreading program costs varies from one BID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. BIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

Venice Beach BID Assessment Formula

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed Venice Beach BID (i.e. clean and safe programs; district identity and special projects; and, administration and management) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage within two benefit zones.

The “Basic Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “A”), land square footage (Benefit Unit “B”), and street frontage (Benefit Unit “C”). Based on the shape of the proposed Venice Beach BID, as well as the nature of the District program elements, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based on the respective amount of building area, land area and street frontage within two benefit zones.

For the array of land uses within the BID, the interactive application of building and land areas and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to these beneficiaries of BID funded services, programs and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from BID funded activities. There are no parcels zoned solely residential within the Venice Beach BID.

Building area is a direct measure of the static utilization of each parcel and its corresponding impact or draw on BID funded activities such as district identity and special projects. In the opinion of this Assessment Engineer, the targeted

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weight of this factor, building area, should generate approximately 10% of the total BID revenue (8.426530% when adjusted for precise parcel measurements and program costs and service levels).

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on BID funded activities such as administration and management. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 20% of the total BID revenue (19.560164% when adjusted for precise parcel measurements and program costs and service levels).

Street Frontage is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on BID funded activities such as clean and safe programs. Street frontage includes all public street frontages of a parcel. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 70% of the total BID revenue (72.013306% when adjusted for precise parcel measurements and program costs and service levels).

Special Assessment Circumstances

1. Commercial and Mixed-Use Condominiums

Condominiums within the Venice Beach BID shall be assessed based on actual land area covered, condo building pad area and direct street frontage for each unit. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses as follows:

Multi-Floor Commercial Only Condominiums

- Building pad area assessed at respective building area rate
- Land assessed at land area rate but pro-rated for each unit relative to total number of units
- Frontage assessed at frontage rate but pro-rated for each unit relative to total number of units

Multi-Floor Mixed-Use Condominiums

- Commercial and residential condo building pad area assessed at respective commercial building area rate
- Land assessed at land area rate, pro-rated for each unit relative to total number of units
- Frontage assessed at frontage rate, pro-rated for each unit relative to total number of units

2. Government Owned/Occupied Parcels and Facilities

In the opinion of this Engineer, Government owned/occupied parcels and facilities within the proposed Venice Beach BID (except as noted herein for LAUSD parcels), will proportionately specially benefit from BID funded programs, services and improvements but different than commercial and industrial parcels. The reason for this finding is rooted in the fact that commercial/industrial parcels and buildings provide the double benefit of directly generating income for the parcel in

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the form of market driven rents and, in turn, generate income to business owners as a function of retail sales areas, food and other service business space and office space to house revenue generating employees. This double benefit does not hold true for Government owned/occupied parcels and facilities. In the opinion of this Engineer, the level of benefit for the proposed BID funded programs, services and improvements for Government owned/occupied parcels and facilities is as follows:

- A. Government owned/occupied parcels and facilities, except those with commercial uses as discussed below, **WILL NOT** specially benefit from the district identity and special project programs (7% of the budget) and thus, will not be assessed for these programs, services and improvements, as they are not commercial/industrial parcels and are not attempting to attract customers nor generate profits or commerce. Assessment rates for these parcels shall be reduced by 10% from the set commercial/industrial parcel rates.
- B. Government owned/occupied parcels and facilities **WILL** proportionately specially benefit, from “clean and safe” related programs, services and improvements and will be assessed fully for these work plan elements.
- C. Government owned/occupied parcels and facilities parcels **WILL** specially benefit fully from all management related programs, services and operation costs and will be assessed fully for this work plan elements.

3. Government Owned Parcels with Commercial Uses

It is the opinion of this Assessment Engineer that Government owned parcels with commercial uses or activities on them (i.e. paid public parking, vendors, shops, kiosks, pay to play recreational facilities etc.) will receive proportionate special benefits based on the same property characteristics as other commercial/industrial parcels and shall be assessed in the same manner and at the same rates as commercial/industrial parcels within the District.

Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may change for any given parcel if such a change is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or assessment rates higher than as stipulated in this Report would require a new ballot procedure (Section 4(b) of Article XIIIID of the California Constitution - Proposition 218) in order to approve any such changes.

Step 2. Quantify Total Basic Benefit Units

Taking into account all identified specially benefiting parcels within the BID and their respective assessable benefit units, there are within Zone 1: 896,513 assessable Benefit Units A-1 (building area), 1,616,751 assessable Benefit Units B-1 (land area), and 35,033.50 assessable Benefit Units C-1 (street frontage). Within Zone 2 there are: 1,054,658 assessable Benefit Units A-2 (building area), 1,677,195 assessable Benefit Units B-2 (land area), and 21,931.63 assessable Benefit Units C-2 (street frontage). The assessable benefit unit quantities and projected Year 1 – 2017 revenue by zone and

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assessment factor for the proposed Venice Beach BID are shown in the following table:

Assessable Benefit Units: Yr 1 –2017 Assessment Rates and Projected Revenue

FORMULA FACTOR	# ASSESSED PARCELS	ASSESSED QUANTITY	YR 1 - 2017 RATES	\$ ASSESSMENT REVENUE	% ASSESSMENT REVENUE
ZONE 1					
Building Area Sq Ft (Unit A-1)		896,513	\$0.08	\$71,721.04	3.871774%
Land Area Sq Ft (Unit B-1)		1,616,751	\$0.11	\$177,842.59	9.600617%
Street Frontage Lin Ft (Unit C-1)		35,033.50	\$29.00	\$1,015,971.59	54.845998%
SUBTOTAL	221			\$1,265,535.22	68.318388%
FORMULA FACTOR	# ASSESSED PARCELS	ASSESSED QUANTITY	YR 1 - 2017 RATES	\$ ASSESSMENT REVENUE	% ASSESSMENT REVENUE
ZONE 2					
Building Area Sq Ft (Unit A-2)		1,054,658	\$0.08	\$84,372.66	4.554756%
Land Area Sq Ft (Unit B-2)		1,677,195	\$0.11	\$184,491.44	9.959547%
Street Frontage Lin Ft (Unit C-2)		21,931.63	\$14.50	\$318,008.57	17.167308%
SUBTOTAL	243			\$586,872.67	31.681612%
FORMULA FACTOR	# ASSESSED PARCELS	ASSESSED QUANTITY	YR 1 - 2017 RATES	\$ ASSESSMENT REVENUE	% ASSESSMENT REVENUE
ZONE 1 + ZONE 2					
Building Area Sq Ft (Unit A)		1,951,171		\$156,093.70	8.426530%
Land Area Sq Ft (Unit B)		3,293,946		\$362,334.03	19.560164%
Street Frontage Lin Ft (Unit C)		56,965.13		\$1,333,980.16	72.013306%
TOTAL	464			\$1,852,407.89	100.00%

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the proposed Venice Beach BID was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, building areas, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations will be provided to each property owner in the BID for their review. All known or reported discrepancies, errors or misinformation will be corrected.

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Step 4. Determine Assessment Formula

In the opinion of this Engineer, the assessment formula for the proposed Venice Beach BID is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit A) Sq Ft x Unit A Rate, plus} \\ &\quad \text{Land Area (Unit B) Sq Ft x Unit B Rate, plus} \\ &\quad \text{Prime Street Frontage (Unit C) Lin Ft x Unit C Rate} \end{aligned}$$

The assessment revenue is targeted for each Unit factor (i.e. building, land and street frontage) to generate approximately 10% for building area or approximately 5% each for Zone 1 and 2 or 3.871774% and 4.554756% respectively per zone when adjusted for precise parcel measurements and program costs and service levels; 20% for land area or approximately 10% each for Zone 1 and 2 or 9.600617% and 9.959547% respectively per zone when adjusted for precise parcel measurements and program costs and service levels; and, 70% for street frontage or approximately 55% for Zone 1 (54.845998% when adjusted for precise parcel measurements and program costs and service levels) and 15% for Zone 2 (17.167308% when adjusted for precise parcel measurements and program costs and service levels).

Computing Assessment Formula Unit Rates

ZONE 1

Building Area Rate (Unit A-1)

$$(\$1,852,407.89 \times 3.871774\%) / 896,513 \text{ assessable building units} = \$0.08/\text{Sq Ft building area}$$

Land Area Rate (Unit B-1)

$$(\$1,852,407.89 \times 9.600617\%) / 1,616,751 \text{ assessable land units} = \$0.11/\text{Sq Ft land area}$$

Street Frontage Rate (Unit C-1)

$$(\$1,852,407.89 \times 54.845998\%) / 35,033.50 \text{ assessable frontage units} = \$29/\text{Linear Ft street frontage}$$

ZONE 2

Building Area Rate (Unit A-2)

$$(\$1,852,407.89 \times 4.554756\%) / 1,054,658 \text{ assessable building units} = \$0.08/\text{Sq Ft building area}$$

Land Area Rate (Unit B-2)

$$(\$1,852,407.89 \times 9.959547\%) / 1,677,195 \text{ assessable land units} = \$0.11/\text{Sq Ft land area}$$

Street Frontage Rate (Unit C-2)

$$(\$1,852,407.89 \times 17.167308\%) / 21,931.63 \text{ assessable frontage units} = \$14.50/\text{Linear Ft street frontage}$$

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YEAR 1 –2017 ASSESSMENT RATE CHART

ASSESSMENT FACTOR	YR 1 - 2017
ZONE 1	
BLDG AREA RATE (\$/SQ FT)	\$0.08000
LAND AREA RATE (\$/SQ FT)	\$0.11000
STREET FRONTAGE RATE (\$/LF)	\$29.00000
ZONE 2	
BLDG AREA RATE (\$/SQ FT)	\$0.08000
LAND AREA RATE (\$/SQ FT)	\$0.11000
STREET FRONTAGE RATE (\$/LF)	\$14.50000

SAMPLE ASSESSMENT CALCULATION:

Sample 1: Assume a 5,000 SF building on a 15,000 SF lot located in **Zone 1** with 100 linear feet of street frontage. The annual assessment would be calculated as follows:

5,000 x \$0.08/square foot of building	=	\$ 400
15,000 x \$0.011/square foot of land	=	\$1,650
100 x \$29/linear foot of street frontage	=	<u>\$2,900</u>
TOTAL ASSESSMENT	=	\$4,950

Sample 2: Assume a 5,000 SF building on a 15,000 SF lot located in **Zone 2** with 100 linear feet of street frontage. The annual assessment would be calculated as follows:

5,000 x \$0.08/square foot of building	=	\$ 400
15,000 x \$0.011/square foot of land	=	\$1,650
100 x \$14.50/linear foot of street frontage	=	<u>\$1,450</u>
TOTAL ASSESSMENT	=	\$3,500

Step 5. Estimate Total District Costs

The total projected 5 year special benefit costs for 2017 – 2021 of the BID are shown in the chart of page 16 of this Report while the total projected 5 year District costs for special plus general benefit costs for 2017 – 2021 of the BID are shown in the chart on page 17 of this Report – each assuming a maximum 5% increase per year.

Step 6. Separate General Benefits from Special Benefits and Related Costs (Article XIID Section 4(b) of the California Constitution – Proposition 218)

Total costs are estimated at \$1,871,119 General benefits are factored at 1% of total (see Finding 2 on page 12 of this Report) with special benefits set at 99%. Article XIID Section 4(b) of the California Constitution limits the levy of

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property assessments to costs attributed to special benefits only. The 1% general benefit cost is computed to be \$18,711 with a resultant 99% special benefit limit computed at \$1,852,408. *This is the maximum amount of revenue that can be derived from property assessments from the subject BID.*

All program costs associated with general benefits will be derived from sources other than BID assessments. Sample “other” revenue sources are shown in the following table:

Year 1 -2017 Special and General Benefit Revenue Sources

Revenue Source	Revenue	% of Total
BID Assessments	\$1,852,408	99%
Grants, donations, sponsors, program income, etc	\$18,711	1%
TOTAL	\$1,871,119	100.0%

Step 7. Calculate “Basic Unit Cost”

With a YR 1 - 2017 assessment revenue portion of the budget set at \$1,852,408 (special benefit only), the Basic Unit Costs are shown above in Step 4. Since the BID is being proposed for a 5 year term, maximum assessments for future years (2018-2021) must be set at the inception of the proposed BID. An annual inflationary assessment rate increase of up to 5% may be imposed for future year assessments, on approval by the BID Property Owner’s Association. The maximum assessment rates for the 5 year proposed BID term of 2017-2021 are shown in the table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for each year of the proposed BID term (2017-2021).

YR 1-5 (2017 - 2021) Maximum Assessment Rates (assumes 5% annual increase from Yr 1 Rates)

ASSESSMENT FACTOR	YR 1 - 2017	YR 2 - 2018	YR 3 - 2019	YR 4 - 2020	YR 5 - 2021
ZONE 1					
BLDG AREA RATE (\$/SQ FT)	\$0.08000	\$0.08400	\$0.08820	\$0.09261	\$0.09724
LAND AREA RATE (\$/SQ FT)	\$0.11000	\$0.11550	\$0.12128	\$0.12734	\$0.13371
STREET FRONTAGE RATE (\$/LF)	\$29.00000	\$30.45000	\$31.97250	\$33.57113	\$35.24968
ZONE 2					
BLDG AREA RATE (\$/SQ FT)	\$0.08000	\$0.08400	\$0.08820	\$0.09261	\$0.09724
LAND AREA RATE (\$/SQ FT)	\$0.11000	\$0.11550	\$0.12128	\$0.12734	\$0.13371
STREET FRONTAGE RATE (\$/LF)	\$14.50000	\$15.22500	\$15.98625	\$16.78556	\$17.62484

Step 8. Spread the Assessments

The resultant assessment spread calculation results for each parcel within the BID are shown in the Management District Plan and were determined by applying the District assessment formula to each identified benefiting property.

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Miscellaneous District Provisions

Time and Manner of Collecting Assessments:

Assessments for the Fiscal Year beginning January 1, 2017 and assessments for subsequent fiscal years, through and including the Fiscal Year ending December 31, 2021 will be collected at the same time and in the same manner as ad valorem taxes paid to the County of Los Angeles. The District assessments shall appear as a separate line item on the property tax bills issued by the Los Angeles County Assessor. The City of Los Angeles is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan.

Bonds:

No bonds are to be issued in conjunction with this proposed BID.

Duration

In accordance with State law, the District will have a five year operational term from January 1, 2017 to December 31, 2021. The proposed BID operation is expected to begin services on January 1, 2017. If the District is not renewed, services will end on December 31, 2021.

APPENDIX 1

VENICE BEACH BID YR 1 – 2017 ASSESSMENT ROLL

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Zone	AIN	SA House Number	SA Fraction	SA Direction	SA Street Name	SA Unit	Assessment	%
Zone 1	4226001900	26		W	MARKET ST		\$51,978.98	2.81%
Zone 1	4226001901	NONE			NONE		\$30,484.93	1.65%
Zone 1	4226001902	NONE			NONE		\$10,409.51	0.56%
Zone 1	4226001903	1502-1522		S	OCEAN FRONT WALK		\$20,722.86	1.12%
Zone 1	4226002900	2300			OCEAN FRONT WALK		\$71,432.90	3.86%
Zone 1	4226003001	2			BREEZE AVE		\$7,226.64	0.39%
Zone 1	4226003004	1011			OCEAN FRONT WALK		\$9,578.61	0.52%
Zone 1	4226003037	1007			OCEAN FRONT WALK		\$5,612.75	0.30%
Zone 1	4226004001	1101			OCEAN FRONT WALK		\$22,495.68	1.21%
Zone 1	4226005001	1201			OCEAN FRONT WALK		\$8,927.97	0.48%
Zone 1	4226005004	1217			OCEAN FRONT WALK		\$7,538.96	0.41%
Zone 1	4226005023	1211			OCEAN FRONT WALK		\$5,617.07	0.30%
Zone 1	4226006001	1301			OCEAN FRONT WALK		\$6,338.32	0.34%
Zone 1	4226006002	1305			OCEAN FRONT WALK		\$3,614.93	0.20%
Zone 1	4226006003	1307			OCEAN FRONT WALK		\$2,980.13	0.16%
Zone 1	4226006004	1313			OCEAN FRONT WALK		\$9,154.85	0.49%
Zone 1	4226007001	1401			OCEAN FRONT WALK		\$8,860.13	0.48%
Zone 1	4226007002	1415			OCEAN FRONT WALK		\$11,412.02	0.62%
Zone 1	4226007006	41			MARKET ST		\$2,181.08	0.12%
Zone 1	4226007007	45			MARKET ST		\$2,200.28	0.12%
Zone 1	4226007008	51			MARKET ST		\$2,290.76	0.12%
Zone 1	4226007009	57			MARKET ST		\$2,212.28	0.12%
Zone 1	4226007010	69			MARKET ST		\$4,436.56	0.24%
Zone 1	4226007011	73			MARKET ST		\$8,661.59	0.47%
Zone 1	4226007023	21			MARKET ST		\$9,285.02	0.50%
Zone 1	4226008001	1501			OCEAN FRONT WALK		\$5,432.88	0.29%
Zone 1	4226008002	1505			OCEAN FRONT WALK		\$2,069.80	0.11%
Zone 1	4226008003	14			MARKET ST		\$2,144.55	0.12%
Zone 1	4226008004	34			MARKET ST		\$2,036.80	0.11%
Zone 1	4226008005	38			MARKET ST		\$4,505.60	0.24%
Zone 1	4226008006	52			MARKET ST		\$2,245.44	0.12%
Zone 1	4226008007	60			MARKET ST		\$2,280.75	0.12%
Zone 1	4226008008	64			MARKET ST		\$2,353.78	0.13%
Zone 1	4226008009	72			MARKET ST		\$2,303.73	0.12%
Zone 1	4226008010	76			MARKET ST		\$2,252.64	0.12%
Zone 1	4226008011	1501			PACIFIC AVE		\$5,681.01	0.31%
Zone 1	4226008012	1509		S	OCEAN FRONT WALK		\$2,415.00	0.13%
Zone 1	4226008013	1513		S	OCEAN FRONT WALK		\$9,110.00	0.49%
Zone 1	4226008014	23			WINDWARD AVE		\$7,111.23	0.38%
Zone 1	4226008015	29			WINDWARD AVE		\$3,405.99	0.18%
Zone 1	4226008016	43		E	WINDWARD AVE		\$1,706.37	0.09%
Zone 1	4226008017	47		E	WINDWARD AVE		\$1,709.19	0.09%
Zone 1	4226008018	51			WINDWARD AVE		\$1,711.21	0.09%
Zone 1	4226008021	75			WINDWARD AVE		\$8,378.80	0.45%
Zone 1	4226008022	NONE			NONE		\$345.00	0.02%
Zone 1	4226008023	20		E	MARKET ST		\$4,647.00	0.25%
Zone 1	4226008024	57-67			WINDWARD AVE		\$7,825.45	0.42%
Zone 1	4226009001	NONE			NONE		\$14,963.79	0.81%

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Zone 1	4226009012	66			WINDWARD AVE		\$2,042.48	0.11%
Zone 1	4226009013	64			WINDWARD AVE		\$1,848.28	0.10%
Zone 1	4226009014	52			WINDWARD AVE		\$3,995.98	0.22%
Zone 1	4226009015	40			WINDWARD AVE		\$3,475.17	0.19%
Zone 1	4226009016	36		E	WINDWARD AVE		\$1,673.29	0.09%
Zone 1	4226009017	32		E	WINDWARD AVE		\$1,673.09	0.09%
Zone 1	4226009018	20			WINDWARD AVE		\$5,784.84	0.31%
Zone 1	4226009019	NONE			NONE		\$5,540.29	0.30%
Zone 1	4226009020	1697			PACIFIC AVE		\$29,892.88	1.61%
Zone 1	4226009021	70			WINDWARD AVE		\$1,939.36	0.10%
Zone 1	4226009022	80			WINDWARD AVE		\$5,527.19	0.30%
Zone 1	4226010001	1701			OCEAN FRONT WALK		\$8,451.84	0.46%
Zone 1	4226010011	31			18TH AVE		\$1,896.43	0.10%
Zone 1	4226010012	1715			PACIFIC AVE		\$2,284.75	0.12%
Zone 1	4226010013	NONE			NONE		\$2,030.40	0.11%
Zone 1	4226010014	1715			PACIFIC AVE		\$6,075.07	0.33%
Zone 1	4226010019	32			17TH AVE		\$2,139.60	0.12%
Zone 1	4226010020	32		E	17th AVE		\$2,017.20	0.11%
Zone 1	4226010021	1711		S	PACIFIC AVE		\$6,033.13	0.33%
Zone 1	4226010022	1713			OCEAN FRONT WALK		\$3,980.96	0.21%
Zone 1	4226010023	1733			OCEAN FRONT WALK		\$6,680.56	0.36%
Zone 1	4226011032	1801			OCEAN FRONT WALK		\$7,638.20	0.41%
Zone 1	4226011033	1815			OCEAN FRONT WALK		\$8,734.56	0.47%
Zone 1	4226011034	1809			OCEAN FRONT WALK		\$3,460.12	0.19%
Zone 1	4226013006	2017			OCEAN FRONT WALK		\$6,248.90	0.34%
Zone 1	4226013007	17		N	VENICE BLVD		\$4,728.58	0.26%
Zone 1	4226013008	31		N	VENICE BLVD		\$2,159.26	0.12%
Zone 1	4226013009	33		N	VENICE BLVD		\$2,152.70	0.12%
Zone 1	4226013010	35		N	VENICE BLVD		\$2,244.78	0.12%
Zone 1	4226013011	39		N	VENICE BLVD		\$2,209.90	0.12%
Zone 1	4226013012	49		E	VENICE BLVD		\$2,209.90	0.12%
Zone 1	4226013013	55		N	VENICE BLVD		\$2,903.02	0.16%
Zone 1	4226013016	2015			PACIFIC AVE		\$7,532.00	0.41%
Zone 1	4226013030	67		N	VENICE BLVD		\$4,421.40	0.24%
Zone 1	4226014018	64		N	VENICE BLVD		\$2,088.86	0.11%
Zone 1	4226014019	60		N	VENICE BLVD		\$2,157.90	0.12%
Zone 1	4226014024	32		N	VENICE BLVD		\$2,222.54	0.12%
Zone 1	4226014030	18		N	VENICE BLVD	NO A	\$1,725.27	0.09%
Zone 1	4226014031	18		N	VENICE BLVD	NO B	\$1,723.59	0.09%
Zone 1	4226014032	18		N	VENICE BLVD	NO C	\$1,725.27	0.09%
Zone 1	4226014033	18		N	VENICE BLVD	NO D	\$1,723.59	0.09%
Zone 1	4226014034	NONE			NONE		\$10,363.84	0.56%
Zone 2	4238002900	1234		S	PACIFIC AVE		\$27,614.22	1.49%
Zone 2	4238002902	1010			ABBOT KINNEY BLVD		\$24,020.88	1.30%
Zone 1	4238010001	200			WESTMINSTER AVE		\$12,837.30	0.69%
Zone 1	4238010009	233			SAN JUAN AVE		\$2,193.92	0.12%
Zone 1	4238010010	235			SAN JUAN AVE		\$2,193.92	0.12%
Zone 1	4238010011	237			SAN JUAN AVE		\$2,207.52	0.12%
Zone 1	4238010012	238			WESTMINSTER AVE		\$2,428.82	0.13%
Zone 1	4238010013	246			WESTMINSTER AVE		\$5,856.66	0.32%
Zone 1	4238010014	1340			MAIN ST		\$5,957.02	0.32%
Zone 1	4238010015	205			HORIZON AVE		\$2,268.29	0.12%

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Zone 1	4238010016	207			HORIZON AVE		\$2,150.52	0.12%
Zone 1	4238011004	1312			PACIFIC AVE		\$4,346.24	0.23%
Zone 1	4238011005	1320			PACIFIC AVE		\$6,621.52	0.36%
Zone 1	4238011006	1400			PACIFIC AVE		\$4,420.00	0.24%
Zone 1	4238011007	1406			PACIFIC AVE		\$2,172.00	0.12%
Zone 1	4238011008	1410			PACIFIC AVE		\$2,194.40	0.12%
Zone 1	4238011011	1426			PACIFIC AVE		\$6,656.00	0.36%
Zone 1	4238011012	123			MARKET ST		\$4,273.52	0.23%
Zone 1	4238011013	1419		S	INNES PL		\$2,004.00	0.11%
Zone 1	4238011014	1415			INNES PL		\$2,342.24	0.13%
Zone 1	4238011015	1411			INNES PL		\$3,662.56	0.20%
Zone 1	4238011016	1403			INNES PL		\$2,984.00	0.16%
Zone 1	4238011017	1401			INNES PL	UNIT A	\$4,450.72	0.24%
Zone 1	4238011021	1313			INNES PL		\$2,297.76	0.12%
Zone 1	4238011022	1307			INNES PL		\$2,199.84	0.12%
Zone 1	4238011023	1305		S	INNES PL		\$2,004.00	0.11%
Zone 1	4238011024	120			WESTMINSTER AVE		\$5,365.76	0.29%
Zone 1	4238011026	1312			INNES PL		\$2,230.16	0.12%
Zone 1	4238011027	1314			INNES PL		\$2,159.60	0.12%
Zone 1	4238011028	1320			INNES PL		\$2,156.64	0.12%
Zone 1	4238011029	1322			INNES PL		\$2,182.24	0.12%
Zone 1	4238011030	1313			INNES PL		\$4,516.00	0.24%
Zone 1	4238011031	1406			MAIN ST		\$6,437.20	0.35%
Zone 1	4238011033	1420			PACIFIC AVE		\$4,336.00	0.23%
Zone 1	4238011034	1303			MAIN ST		\$5,543.99	0.30%
Zone 1	4238011035	1305			MAIN ST		\$4,097.60	0.22%
Zone 1	4238011036	1317		S	INNES PL		\$9,022.88	0.49%
Zone 1	4238011038	1411		S	MAIN ST	1	\$1,442.67	0.08%
Zone 1	4238011039	1411		S	MAIN ST	2	\$1,442.67	0.08%
Zone 1	4238011040	1411		S	MAIN ST	3	\$1,439.95	0.08%
Zone 1	4238011041	1411		S	MAIN ST	4	\$1,439.95	0.08%
Zone 1	4238011042	1411		S	MAIN ST	5	\$1,434.99	0.08%
Zone 1	4238011043	1411		S	MAIN ST	6	\$1,434.99	0.08%
Zone 1	4238012001	202			HORIZON AVE		\$3,739.59	0.20%
Zone 1	4238012002	208			HORIZON AVE		\$3,500.58	0.19%
Zone 1	4238012003	1410			MAIN ST		\$2,067.79	0.11%
Zone 1	4238012004	1414			MAIN ST		\$2,150.09	0.12%
Zone 1	4238012005	1422			MAIN ST		\$2,149.48	0.12%
Zone 1	4238012006	1426			MAIN ST		\$7,918.87	0.43%
Zone 1	4238013001	1500			MAIN ST		\$7,882.62	0.43%
Zone 1	4238013002	1504	1/2		MAIN ST		\$2,074.26	0.11%
Zone 1	4238013003	209			WINDWARD AVE		\$2,463.69	0.13%
Zone 1	4238013004	211			WINDWARD AVE		\$2,535.64	0.14%
Zone 1	4238013005	213			WINDWARD AVE		\$2,509.65	0.14%
Zone 1	4238013006	215			WINDWARD AVE		\$2,728.00	0.15%
Zone 1	4238014003	1510			PACIFIC AVE		\$1,395.28	0.08%
Zone 1	4238014004	1512			PACIFIC AVE		\$4,707.38	0.25%
Zone 1	4238014005	105			WINDWARD AVE		\$4,732.75	0.26%
Zone 1	4238014006	121			WINDWARD AVE		\$14,646.22	0.79%
Zone 1	4238014007	185			WINDWARD AVE		\$13,692.56	0.74%
Zone 1	4238014009	1602			PACIFIC AVE		\$2,576.88	0.14%
Zone 1	4238014016	1500			PACIFIC AVE		\$8,962.48	0.48%

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Zone 1	4238014017	1601		S	MAIN ST		\$21,584.96	1.17%
Zone 1	4238014900	1610, 1608		S	PACIFIC AVE		\$7,440.29	0.40%
Zone 2	4238018900	NONE			NONE		\$62,098.43	3.35%
Zone 1	4238021001	200			GRAND BLVD		\$7,637.40	0.41%
Zone 1	4238021025	205			VENICE WAY		\$1,682.79	0.09%
Zone 1	4238021026	1716			MAIN ST		\$6,359.92	0.34%
Zone 1	4238022001	2022			PACIFIC AVE		\$6,766.46	0.37%
Zone 1	4238024900	2102		S	PACIFIC AVE		\$16,166.65	0.87%
Zone 1	4238024902	128		E	VENICE BLVD		\$8,215.66	0.44%
Zone 1	4238024903	206		N	VENICE BLVD		\$2,943.42	0.16%
Zone 1	4238024905	216		E	VENICE BLVD		\$2,629.74	0.14%
Zone 1	4238024906	302		E	VENICE BLVD		\$1,314.87	0.07%
Zone 1	4238024907	319, (319 E VENICE BLVD)		E	SOUTH VENICE BLVD		\$24,976.40	1.35%
Zone 1	4238024908	2106, (200 E VENICE BLVD)		S	CANAL ST		\$4,069.87	0.22%
Zone 1	4238024909	NONE			NONE		\$703.20	0.04%
Zone 1	4238024910	210		N	VENICE BLVD		\$1,314.87	0.07%
Zone 1	4238024911	125		S	VENICE BLVD		\$4,456.56	0.24%
Zone 1	4238025901	NONE			NONE		\$4,073.60	0.22%
Zone 1	4238025902	NONE			NONE		\$22,171.43	1.20%
Zone 1	4238025903	NONE			NONE		\$6,582.00	0.36%
Zone 2	4286003001	202			MAIN ST		\$2,977.65	0.16%
Zone 2	4286003003	241			HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003004	251			HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003007	213			ROSE AVE		\$4,288.08	0.23%
Zone 2	4286003008	217			ROSE AVE		\$2,513.82	0.14%
Zone 2	4286003009	219			ROSE AVE		\$4,755.94	0.26%
Zone 2	4286003010	259			HAMPTON DR		\$1,588.03	0.09%
Zone 2	4286003011	257			HAMPTON DR	APT 0007	\$2,819.72	0.15%
Zone 2	4286003013	251			HAMPTON DR		\$1,296.74	0.07%
Zone 2	4286003014	241			HAMPTON DR		\$1,239.14	0.07%
Zone 2	4286003015	228			MAIN ST		\$6,452.56	0.35%
Zone 2	4286003016	224			MAIN ST		\$3,226.28	0.17%
Zone 2	4286003019	206			MAIN ST		\$6,496.00	0.35%
Zone 2	4286003020	248			MAIN ST		\$5,812.08	0.31%
Zone 2	4286003021	212			MAIN ST		\$6,165.04	0.33%
Zone 2	4286004002	220			ROSE ST		\$9,550.73	0.52%
Zone 2	4286004004	212, (300 S MAIN ST)		E	ROSE ST		\$4,065.01	0.22%
Zone 2	4286004006	354			MAIN ST		\$19,525.52	1.05%
Zone 2	4286004007	321			HAMPTON DR		\$7,662.16	0.41%
Zone 2	4286004009	340		S	MAIN ST		\$15,714.40	0.85%
Zone 2	4286005010	300			ROSE AVE		\$37,043.79	2.00%
Zone 2	4286005011	350			HAMPTON DR		\$17,310.64	0.93%
Zone 2	4286006013	363			4TH AVE		\$3,583.00	0.19%

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Zone 2	4286006015	364			3RD AVE		\$3,852.25	0.21%
Zone 2	4286006016	360			3RD AVE		\$1,588.80	0.09%
Zone 2	4286006017	354			3RD AVE		\$2,171.60	0.12%
Zone 2	4286006018	346			3RD AVE		\$3,596.00	0.19%
Zone 2	4286006034	370		E	ROSE ST		\$45,421.34	2.45%
Zone 2	4286006035	345			4TH AVE		\$6,672.02	0.36%
Zone 2	4286006037	351			SUNSET AVE	1	\$707.19	0.04%
Zone 2	4286006038	351			SUNSET AVE	2	\$705.59	0.04%
Zone 2	4286006039	351			SUNSET AVE	3	\$705.59	0.04%
Zone 2	4286006040	351			SUNSET AVE	4	\$705.59	0.04%
Zone 2	4286006041	351			SUNSET AVE	5	\$705.59	0.04%
Zone 2	4286006042	351			SUNSET AVE	6	\$707.19	0.04%
Zone 2	4286007001	602			HAMPTON DR		\$4,407.68	0.24%
Zone 2	4286007005	618			HAMPTON DR		\$3,646.13	0.20%
Zone 2	4286007015	351			VERNON AVE		\$6,760.00	0.36%
Zone 2	4286007018	344			SUNSET AVENUE		\$2,398.00	0.13%
Zone 2	4286007019	342			SUNSET AVENUE		\$2,385.20	0.13%
Zone 2	4286007020	340			SUNSET AVENUE		\$2,374.46	0.13%
Zone 2	4286007021	334			SUNSET AVENUE		\$2,253.86	0.12%
Zone 2	4286007022	320			SUNSET AVENUE		\$5,020.00	0.27%
Zone 2	4286007023	318			SUNSET AVENUE		\$2,110.00	0.11%
Zone 2	4286007024	314			SUNSET AVENUE		\$4,026.40	0.22%
Zone 2	4286007025	350			SUNSET AVE		\$6,760.00	0.36%
Zone 2	4286007026	608			HAMPTON DR		\$2,404.02	0.13%
Zone 2	4286007029	616			HAMPTON DR		\$4,713.07	0.25%
Zone 2	4286008001	702			HAMPTON DR		\$3,147.99	0.17%
Zone 2	4286008002	704			HAMPTON DR		\$1,156.81	0.06%
Zone 2	4286008003	706			HAMPTON DR		\$1,151.31	0.06%
Zone 2	4286008004	708			HAMPTON DR		\$1,140.42	0.06%
Zone 2	4286008005	710			HAMPTON DR		\$1,134.92	0.06%
Zone 2	4286008006	712			HAMPTON DR		\$1,126.67	0.06%
Zone 2	4286008007	714			HAMPTON DR		\$1,050.13	0.06%
Zone 2	4286008008	716			HAMPTON DR		\$1,222.28	0.07%
Zone 2	4286008009	718			HAMPTON DR		\$1,250.17	0.07%
Zone 2	4286008010	720			HAMPTON DR		\$2,640.23	0.14%
Zone 2	4286009001	603			HAMPTON DR		\$2,747.98	0.15%
Zone 2	4286009009	703			HAMPTON DR		\$1,616.58	0.09%
Zone 2	4286009012	719			HAMPTON DR		\$1,258.00	0.07%
Zone 2	4286009018	805			HAMPTON DR		\$4,011.08	0.22%
Zone 2	4286009022	220			SUNSET AVE		\$2,006.87	0.11%
Zone 2	4286009026	202,204		E	SUNSET AVE		\$4,772.05	0.26%
Zone 2	4286009031	NONE			NONE		\$44.00	0.00%
Zone 2	4286009035	707			HAMPTON DR		\$2,957.60	0.16%
Zone 2	4286009038	615			HAMPTON DR	A101	\$291.35	0.02%
Zone 2	4286009039	615			HAMPTON DR	A102	\$291.35	0.02%
Zone 2	4286009040	615			HAMPTON DR	A103	\$258.23	0.01%
Zone 2	4286009041	615			HAMPTON DR	A104	\$258.23	0.01%
Zone 2	4286009042	615			HAMPTON DR	A105	\$258.23	0.01%
Zone 2	4286009043	615			HAMPTON DR	A106	\$258.23	0.01%
Zone 2	4286009044	615			HAMPTON DR	A107	\$258.23	0.01%
Zone 2	4286009045	615			HAMPTON DR	A108	\$258.23	0.01%
Zone 2	4286009046	615			HAMPTON DR	A109	\$291.35	0.02%

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Zone 2	4286009047	615		HAMPTON DR	A110	\$291.35	0.02%
Zone 2	4286009048	615		HAMPTON DR	A111	\$291.35	0.02%
Zone 2	4286009049	615		HAMPTON DR	A201	\$304.07	0.02%
Zone 2	4286009050	615		HAMPTON DR	A202	\$291.35	0.02%
Zone 2	4286009051	615		HAMPTON DR	A203	\$291.35	0.02%
Zone 2	4286009052	615		HAMPTON DR	A204	\$304.07	0.02%
Zone 2	4286009053	615		HAMPTON DR	A301	\$283.91	0.02%
Zone 2	4286009054	615		HAMPTON DR	A302	\$283.91	0.02%
Zone 2	4286009055	615		HAMPTON DR	A303	\$251.59	0.01%
Zone 2	4286009056	615		HAMPTON DR	A304	\$250.95	0.01%
Zone 2	4286009057	615		HAMPTON DR	A305	\$251.59	0.01%
Zone 2	4286009058	615		HAMPTON DR	A306	\$251.59	0.01%
Zone 2	4286009059	615		HAMPTON DR	A307	\$250.95	0.01%
Zone 2	4286009060	615		HAMPTON DR	A308	\$251.59	0.01%
Zone 2	4286009061	615		HAMPTON DR	A309	\$283.91	0.02%
Zone 2	4286009062	615		HAMPTON DR	A310	\$283.91	0.02%
Zone 2	4286009063	615		HAMPTON DR	A311	\$283.91	0.02%
Zone 2	4286009067	721		HAMPTON DR		\$3,724.81	0.20%
Zone 2	4286009070	615		HAMPTON DR	B101	\$361.59	0.02%
Zone 2	4286009071	615		HAMPTON DR	B102	\$368.15	0.02%
Zone 2	4286009072	615		HAMPTON DR	B103	\$361.59	0.02%
Zone 2	4286009073	615		HAMPTON DR	B104	\$328.47	0.02%
Zone 2	4286009074	615		HAMPTON DR	B105	\$328.47	0.02%
Zone 2	4286009075	615		HAMPTON DR	B201	\$360.55	0.02%
Zone 2	4286009077	615		HAMPTON DR	B301	\$354.15	0.02%
Zone 2	4286009078	615		HAMPTON DR	B302	\$354.15	0.02%
Zone 2	4286009079	615		HAMPTON DR	B303	\$354.15	0.02%
Zone 2	4286009080	615		HAMPTON DR	B304	\$321.83	0.02%
Zone 2	4286009081	615		HAMPTON DR	B305	\$321.19	0.02%
Zone 2	4286009083	615		HAMPTON DR	C101	\$361.75	0.02%
Zone 2	4286009084	615		HAMPTON DR	C102	\$361.75	0.02%
Zone 2	4286009085	615		HAMPTON DR	C103	\$361.75	0.02%
Zone 2	4286009086	615		HAMPTON DR	C104	\$361.75	0.02%
Zone 2	4286009087	615		HAMPTON DR	C301	\$356.71	0.02%
Zone 2	4286009088	615		HAMPTON DR	C302	\$356.71	0.02%
Zone 2	4286009089	615		HAMPTON DR	C303	\$356.71	0.02%
Zone 2	4286009090	615		HAMPTON DR	C304	\$356.71	0.02%
Zone 2	4286009091	NONE		NONE	NONE	\$342.15	0.02%
Zone 2	4286009092	NONE		NONE	NONE	\$342.15	0.02%
Zone 2	4286009093	615		HAMPTON DR	D301	\$347.51	0.02%
Zone 2	4286009094	615		HAMPTON DR	D302	\$347.51	0.02%
Zone 2	4286009095	615		HAMPTON DR	B202	\$480.44	0.03%
Zone 2	4286009100	700		MAIN ST	NO 1	\$432.64	0.02%
Zone 2	4286009101	700		MAIN ST	NO 2	\$410.24	0.02%
Zone 2	4286009102	700		MAIN ST	NO 3	\$437.44	0.02%
Zone 2	4286009103	700		MAIN ST	NO 4	\$419.04	0.02%
Zone 2	4286009104	700		MAIN ST	NO 5	\$459.04	0.02%
Zone 2	4286009105	700		MAIN ST	NO 6	\$457.44	0.02%
Zone 2	4286009106	700		MAIN ST	NO 7	\$454.24	0.02%
Zone 2	4286009107	700		MAIN ST	NO 8	\$452.64	0.02%
Zone 2	4286009108	700		MAIN ST	NO 9	\$447.84	0.02%
Zone 2	4286009109	700		MAIN ST	NO 10	\$444.64	0.02%

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Zone 2	4286009110	700		MAIN ST	NO 11	\$437.44	0.02%
Zone 2	4286009111	700		MAIN ST	NO 12	\$436.64	0.02%
Zone 2	4286009112	700		MAIN ST	NO 13	\$432.64	0.02%
Zone 2	4286009113	700		MAIN ST	NO 14	\$438.24	0.02%
Zone 2	4286009114	700		MAIN ST	NO 15	\$459.04	0.02%
Zone 2	4286009115	700		MAIN ST	NO 16	\$392.64	0.02%
Zone 2	4286009116	700		MAIN ST	NO 17	\$368.64	0.02%
Zone 2	4286009117	700		MAIN ST	NO 18	\$446.24	0.02%
Zone 2	4286009118	700		MAIN ST	NO 19	\$427.84	0.02%
Zone 2	4286009119	700		MAIN ST	NO 20	\$423.04	0.02%
Zone 2	4286009120	700		MAIN ST	NO 21	\$422.24	0.02%
Zone 2	4286009121	700		MAIN ST	NO 22	\$412.64	0.02%
Zone 2	4286009122	700		MAIN ST	NO 23	\$411.04	0.02%
Zone 2	4286009123	700		MAIN ST	NO 24	\$407.04	0.02%
Zone 2	4286009124	700		MAIN ST	NO 25	\$486.24	0.03%
Zone 2	4286009125	815	S	HAMPTON ST		\$535.34	0.03%
Zone 2	4286009126	815	S	HAMPTON ST	2	\$496.14	0.03%
Zone 2	4286009127	815	S	HAMPTON ST	3	\$500.62	0.03%
Zone 2	4286009128	815	S	HAMPTON ST	4	\$496.94	0.03%
Zone 2	4286009129	815	S	HAMPTON ST	5	\$496.94	0.03%
Zone 2	4286009130	815	S	HAMPTON ST	6	\$496.94	0.03%
Zone 2	4286009131	815	S	HAMPTON ST	7	\$497.10	0.03%
Zone 2	4286009132	815	S	HAMPTON ST	8	\$483.58	0.03%
Zone 2	4286009133	815	S	HAMPTON ST	9	\$506.78	0.03%
Zone 2	4286009134	815	S	HAMPTON ST	10	\$532.38	0.03%
Zone 2	4286009135	815	S	HAMPTON ST	10	\$379.19	0.02%
Zone 2	4286009136	815	S	HAMPTON ST	10	\$326.07	0.02%
Zone 2	4286010029	818		HAMPTON DR		\$3,173.67	0.17%
Zone 2	4286010036	826		HAMPTON DR		\$4,347.18	0.23%
Zone 2	4286010044	804		HAMPTON DR		\$11,791.22	0.64%
Zone 2	4286012012	808		MAIN ST		\$613.15	0.03%
Zone 2	4286012016	798		MAIN ST		\$1,390.44	0.08%
Zone 2	4286012029	796		MAIN ST		\$638.57	0.03%
Zone 2	4286012034	810		MAIN ST		\$619.79	0.03%
Zone 2	4286012035	812		MAIN ST		\$5,749.15	0.31%
Zone 2	4286012038	NONE		NONE		\$1,623.19	0.09%
Zone 2	4286012039	NONE		NONE		\$4,722.87	0.25%
Zone 2	4286012044	NONE		NONE		\$1,352.80	0.07%
Zone 2	4286012045	NONE		NONE		\$1,112.74	0.06%
Zone 2	4286013031	916		MAIN ST		\$4,219.39	0.23%
Zone 2	4286013034	900		WASHINGTON BLVD		\$4,873.10	0.26%
Zone 2	4286015900	100		SUNSET AVE		\$35,933.09	1.94%
Zone 2	4286017026	255		MAIN ST	NO 101	\$406.89	0.02%
Zone 2	4286017027	255		MAIN ST	NO 102	\$387.29	0.02%
Zone 2	4286017028	255		MAIN ST	NO 103	\$387.29	0.02%
Zone 2	4286017029	255		MAIN ST	NO 104	\$387.29	0.02%
Zone 2	4286017030	255		MAIN ST	NO 105	\$387.29	0.02%
Zone 2	4286017031	255		MAIN ST	NO 106	\$387.29	0.02%
Zone 2	4286017032	255		MAIN ST	NO 107	\$391.85	0.02%
Zone 2	4286017033	245		MAIN ST	NO 108	\$391.85	0.02%
Zone 2	4286017034	245		MAIN ST	NO 109	\$387.29	0.02%
Zone 2	4286017035	245		MAIN ST	NO 110	\$387.29	0.02%

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Zone 2	4286017036	245		MAIN ST	NO 111	\$387.29	0.02%
Zone 2	4286017037	245		MAIN ST	NO 112	\$387.29	0.02%
Zone 2	4286017038	245		MAIN ST	NO 113	\$387.29	0.02%
Zone 2	4286017039	245		MAIN ST	NO 114	\$391.85	0.02%
Zone 2	4286017040	235		MAIN ST	NO 115	\$391.85	0.02%
Zone 2	4286017041	235		MAIN ST	NO 116	\$387.29	0.02%
Zone 2	4286017042	235		MAIN ST	NO 117	\$387.29	0.02%
Zone 2	4286017043	235		MAIN ST	NO 118	\$387.29	0.02%
Zone 2	4286017044	235		MAIN ST	NO 119	\$387.29	0.02%
Zone 2	4286017045	235		MAIN ST	NO 120	\$387.29	0.02%
Zone 2	4286017046	235		MAIN ST	NO 121	\$387.29	0.02%
Zone 2	4286017047	245		MAIN ST		\$1,175.21	0.06%
Zone 2	4286017048	255		MAIN ST	NO 201	\$407.69	0.02%
Zone 2	4286017049	255		MAIN ST	NO 202	\$387.29	0.02%
Zone 2	4286017050	255		MAIN ST	NO 203	\$387.29	0.02%
Zone 2	4286017051	255		MAIN ST	NO 204	\$387.29	0.02%
Zone 2	4286017052	255		MAIN ST	NO 205	\$387.29	0.02%
Zone 2	4286017053	255		MAIN ST	NO 206	\$387.29	0.02%
Zone 2	4286017054	255		MAIN ST	NO 207	\$391.85	0.02%
Zone 2	4286017055	245		MAIN ST	NO 208	\$391.85	0.02%
Zone 2	4286017056	245		MAIN ST	NO 209	\$387.29	0.02%
Zone 2	4286017057	245		MAIN ST	NO 210	\$387.29	0.02%
Zone 2	4286017058	245		MAIN ST	NO 211	\$387.29	0.02%
Zone 2	4286017059	245		MAIN ST	NO 212	\$387.29	0.02%
Zone 2	4286017060	245		MAIN ST	NO 213	\$387.29	0.02%
Zone 2	4286017061	245		MAIN ST	NO 214	\$391.85	0.02%
Zone 2	4286017062	235		MAIN ST	NO 215	\$391.85	0.02%
Zone 2	4286017063	235		MAIN ST	NO 216	\$387.29	0.02%
Zone 2	4286017064	235		MAIN ST	NO 217	\$387.29	0.02%
Zone 2	4286017065	235		MAIN ST	NO 218	\$387.29	0.02%
Zone 2	4286017066	235		MAIN ST	NO 219	\$387.29	0.02%
Zone 2	4286017067	235		MAIN ST	NO 220	\$387.29	0.02%
Zone 2	4286017068	235		MAIN ST	NO 221	\$387.29	0.02%
Zone 2	4286017069	235		MAIN ST	NO 222	\$412.65	0.02%
Zone 2	4286017070	235		MAIN ST	NO 223	\$422.01	0.02%
Zone 2	4286017071	235		MAIN ST	NO 224	\$412.65	0.02%
Zone 2	4286017072	255		MAIN ST	NO 301	\$421.85	0.02%
Zone 2	4286017073	255		MAIN ST	NO 302	\$401.53	0.02%
Zone 2	4286017074	255		MAIN ST	NO 303	\$401.53	0.02%
Zone 2	4286017075	255		MAIN ST	NO 304	\$403.53	0.02%
Zone 2	4286017076	255		MAIN ST	NO 305	\$401.53	0.02%
Zone 2	4286017077	255		MAIN ST	NO 306	\$401.53	0.02%
Zone 2	4286017078	255		MAIN ST	NO 307	\$404.17	0.02%
Zone 2	4286017079	235		MAIN ST	NO 308	\$404.17	0.02%
Zone 2	4286017080	235		MAIN ST	NO 309	\$401.53	0.02%
Zone 2	4286017081	245		MAIN ST	NO 310	\$401.53	0.02%
Zone 2	4286017082	245		MAIN ST	NO 311	\$403.53	0.02%
Zone 2	4286017083	245		MAIN ST	NO 312	\$401.53	0.02%
Zone 2	4286017084	245		MAIN ST	NO 313	\$401.53	0.02%
Zone 2	4286017085	245		MAIN ST	NO 314	\$404.17	0.02%
Zone 2	4286017086	235		MAIN ST	NO 315	\$404.17	0.02%
Zone 2	4286017087	235		MAIN ST	NO 316	\$401.53	0.02%

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

Zone 2	4286017088	235			MAIN ST	NO 317	\$401.53	0.02%
Zone 2	4286017089	235			MAIN ST	NO 318	\$403.53	0.02%
Zone 2	4286017090	235			MAIN ST	NO 319	\$401.53	0.02%
Zone 2	4286017091	235			MAIN ST	NO 320	\$401.53	0.02%
Zone 2	4286017092	235			MAIN ST	NO 321	\$401.53	0.02%
Zone 2	4286017093	245			MAIN ST		\$8,682.29	0.47%
Zone 1	4286027007	811			OCEAN FRONT WALK		\$2,364.41	0.13%
Zone 1	4286027008	815			OCEAN FRONT WALK		\$2,592.93	0.14%
Zone 1	4286027010	8			BROOKS AVE		\$8,972.40	0.48%
Zone 1	4286027013	909			OCEAN FRONT WALK		\$16,028.20	0.87%
Zone 1	4286027014	801			OCEAN FRONT WALK		\$13,857.28	0.75%
Zone 1	4286027015	11			BROOKS AVE	A	\$2,281.61	0.12%
Zone 1	4286027016	11			BROOKS AVE	B	\$2,297.93	0.12%
Zone 1	4286027017	11			BROOKS AVE	C	\$2,293.13	0.12%
Zone 1	4286027018	11			BROOKS AVE	D	\$2,296.65	0.12%
Zone 1	4286027019	819			OCEAN FRONT WALK		\$2,294.57	0.12%
Zone 1	4286027902	NONE			NONE		\$17,050.35	0.92%
Zone 1	4286028001	8, 10		E	SUNSET AVE		\$13,996.27	0.76%
Zone 1	4286028002	615			OCEAN FRONT WALK		\$3,918.96	0.21%
Zone 1	4286028010	715			OCEAN FRONT WALK		\$2,521.80	0.14%
Zone 1	4286028013	719			OCEAN FRONT WALK		\$2,409.66	0.13%
Zone 1	4286028016	717			OCEAN FRONT WALK		\$2,509.14	0.14%
Zone 1	4286028017	723			OCEAN FRONT WALK		\$8,937.43	0.48%
Zone 1	4286028020	11		E	THORTON AVE		\$2,219.33	0.12%
Zone 1	4286028021	9		E	THORTON AVE		\$2,500.13	0.13%
Zone 1	4286028022	619			OCEAN FRONT WALK		\$2,472.13	0.13%
Zone 1	4286028023	7		E	THORTON AVE		\$2,436.13	0.13%
Zone 1	4286028024	621		S	OCEAN FRONT WALK		\$2,516.93	0.14%
Zone 1	4286028025	12		E	THORTON AVE		\$1,930.06	0.10%
Zone 1	4286028026	10		E	THORTON AVE		\$2,379.89	0.13%
Zone 1	4286028027	701		S	OCEAN FRONT WALK	MISSING	\$2,421.49	0.13%
Zone 1	4286028028	701		S	OCEAN FRONT WALK	MISSING	\$2,435.09	0.13%
Zone 1	4286028029	701			OCEAN FRONT WALK		\$2,430.29	0.13%
Zone 1	4286028030	701		S	OCEAN FRONT WALK	MISSING	\$2,374.29	0.13%
Zone 1	4286028031	701		S	OCEAN FRONT WALK	MISSING	\$2,347.09	0.13%
Zone 1	4286028902	NONE			NONE		\$13,038.98	0.70%
Zone 1	4286029012	511			OCEAN FRONT WALK		\$3,499.08	0.19%
Zone 1	4286029013	517			OCEAN FRONT WALK		\$6,375.84	0.34%
Zone 1	4286029017	523			OCEAN FRONT WALK		\$4,657.68	0.25%
Zone 1	4286029902	NONE			NONE		\$17,922.96	0.97%
Zone 1	4286030001	201			OCEAN FRONT WALK		\$5,868.64	0.32%
Zone 1	4286030002	201	1/2		OCEAN FRONT WALK		\$6,346.93	0.34%
Zone 1	4286030003	213			OCEAN FRONT WALK		\$2,629.61	0.14%
Zone 1	4286030006	301			OCEAN FRONT WALK		\$6,267.59	0.34%
Zone 1	4286030009	313			OCEAN FRONT WALK		\$2,667.57	0.14%
Zone 1	4286030011	319			OCEAN FRONT WALK		\$2,405.56	0.13%
Zone 1	4286030012	321			OCEAN FRONT WALK		\$8,127.65	0.44%
Zone 1	4286030013	5			ROSE AVE		\$9,813.54	0.53%
Zone 1	4286030017	317			OCEAN FRONT WALK	UNIT C	\$833.26	0.04%
Zone 1	4286030018	317			OCEAN FRONT WALK	UNIT B	\$916.46	0.05%
Zone 1	4286030019	317			OCEAN FRONT WALK	UNIT A	\$940.46	0.05%
Zone 1	4286030022	305			OCEAN FRONT WALK		\$2,788.79	0.15%

VENICE BEACH BUSINESS IMPROVEMENT DISTRICT – ENGINEER’S REPORT

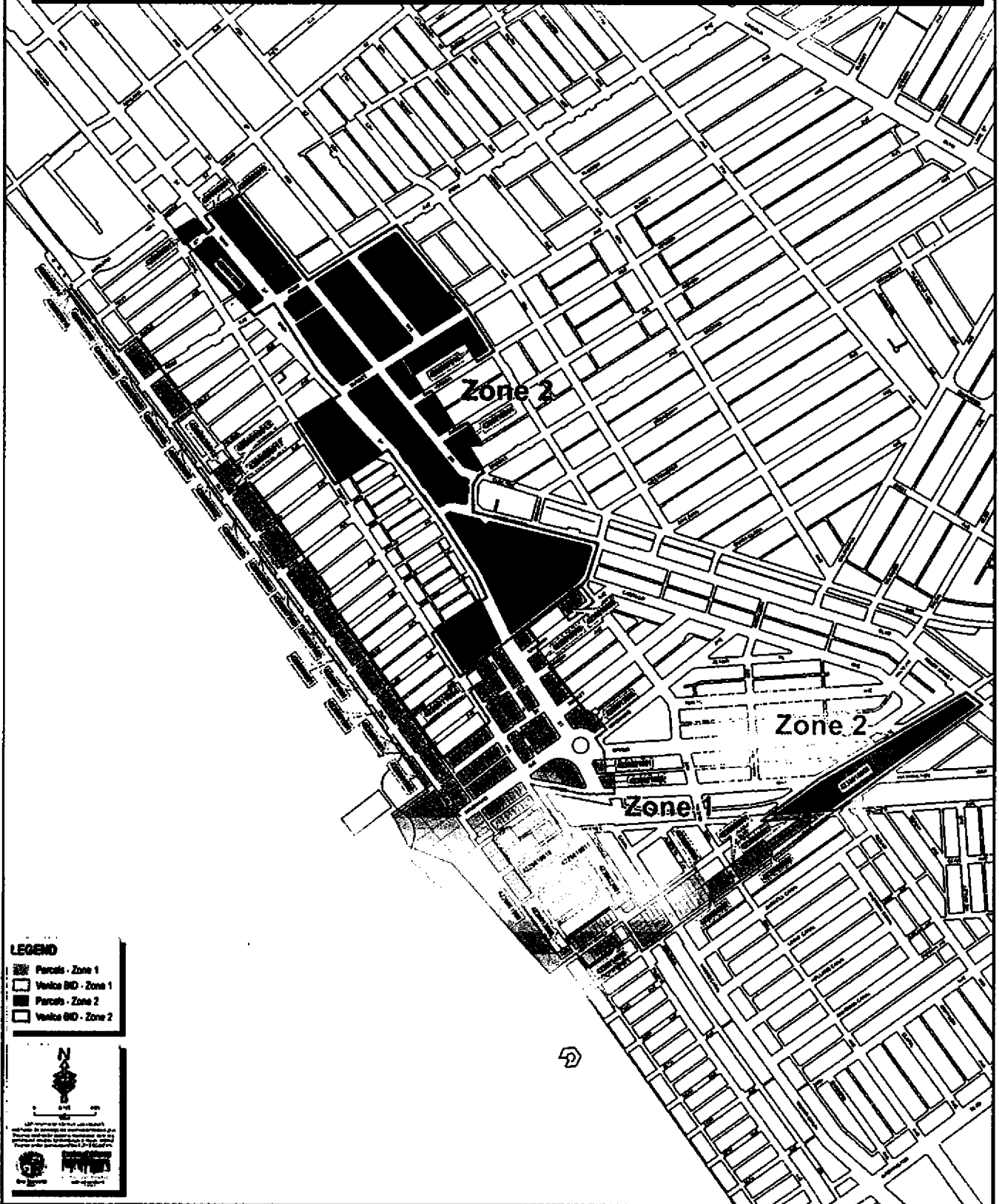
Zone 1	4286030023	309			OCEAN FRONT WALK		\$2,671.10	0.14%
Zone 1	4286030903	NONE			NONE		\$26,849.63	1.45%
Zone 1	4288029900	NONE			NONE		\$1,074.75	0.06%
Zone 1	4288029906	NONE			NONE		\$0.00	0.00%
Zone 1	4288029909	120			OCEAN FRONT WALK		\$5,091.40	0.27%
Zone 1	4288029910	NONE			NONE		\$750.58	0.04%
Zone 1	4288029914	NONE			NONE		\$333.89	0.02%
Zone 1	4288029916	NONE			NONE		\$0.00	0.00%
Zone 2	4286009013	719			HAMPTON DR		\$1,302.80	0.07%

APPENDIX 2





VENICE BEACH BID BOUNDARY MAP

Proposed Venice Beach BID

City of Los Angeles



LEGEND

-  Parcels - Zone 1
-  Venice BID - Zone 1
-  Parcels - Zone 2
-  Venice BID - Zone 2



A north arrow pointing upwards and a scale bar below it. Below the scale bar is a small logo for the City of Los Angeles and some text, which is mostly illegible due to the small size.



CERTIFICATE OF LIABILITY INSURANCE

Exhibit 1

DATE (MM/DD/YYYY)

05/22/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Wateridge Insurance Services 10717 SORRENTO VALLEY ROAD SAN DIEGO CA 92121	CONTACT NAME: Jan Underlee PHONE (A/C, No, Ext): 8588887812 FAX (A/C, No): E-MAIL ADDRESS: junderlee@wateridge.com													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Mesa Underwriters Specialty Insurance Co</td> <td>36838</td> </tr> <tr> <td>INSURER B : Nautilus Insurance Company</td> <td>17370</td> </tr> <tr> <td>INSURER C : Continental Casualty Company</td> <td>20443</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Mesa Underwriters Specialty Insurance Co	36838	INSURER B : Nautilus Insurance Company	17370	INSURER C : Continental Casualty Company	20443	INSURER D :		INSURER E :		INSURER F :
INSURER(S) AFFORDING COVERAGE	NAIC #													
INSURER A : Mesa Underwriters Specialty Insurance Co	36838													
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INSURER C : Continental Casualty Company	20443													
INSURER D :														
INSURER E :														
INSURER F :														

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> PDO is incl in the Gen Agg GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER	Y	Y	MPMP0004017003005	04/07/2017	04/07/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED <input type="checkbox"/> AUTOS ONLY HIRED <input type="checkbox"/> AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTIONS	Y	Y	AN037639	04/07/2017	04/07/2018	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	Mgmt Liab includes D&O - \$2M	N	N	596781150	04/07/2017	04/07/2018	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Operations of the Named Insured; Administration of the Venice Beach BusinessImprovement Distruct (Council File #16-0749)

The City of Los Angeles and its officers and employees are included as additional insureds with regards to liability and defense of suites arising from the operations and uses performed by or on behalf of the named insured on the General Liability policy referenced herein per additional insured form #CG 20 10 04 13. Primary/non-contributory wording applies per form #CG 20 01 04 13. Waiver of subrogation applies per form #CG 24 04 05 09.

CERTIFICATE HOLDER**CANCELLATION**

City of Los Angeles and all of its Agencies, Boards and Departments
 200 North Main Street
 City Hall East, Suite 1240
 Los Angeles CA 90012

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Jan Underlee

Addendum

Named Additional Insured and Additional Information

[Empty box for Named Additional Insured and Additional Information]

City of Los Angeles

CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS

This document must be returned with the Proposal/Bid Response

The undersigned hereby agrees that Venice Beach Property Owners Association (VBPOA) will:
Name of Business

1. Fully comply with all applicable State and Federal employment reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.

I declare under penalty of perjury that the foregoing is true and was executed at:

Los Angeles (Venice) / Los Angeles / California

City/County/State

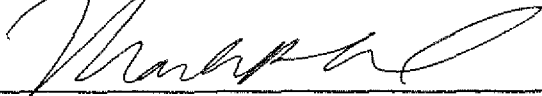
5/5/17

Date

Venice Beach Property Owners Association, 8 Horizon Avenue, Venice, CA 90291

Name of Business

Address



Mark Sokol

Signature of Authorized Officer or Representative

Print Name

President/Chairman

213-788-7469

Title

Telephone Number

LWO – DEPARTMENTAL DETERMINATION FORM

REQUIRED DOCUMENTATION FOR ALL CONTRACTS

This form will aid Awarding Departments with determining whether or not a contract is subject to the LWO. It must be completed by the AWARDING DEPARTMENT and submitted to the Office of Contract Compliance AFTER THE CONTRACT HAS BEEN EXECUTED. INCOMPLETE SUBMISSIONS WILL BE RETURNED. Please refer to the endnotes for more details.

AWARDING DEPARTMENT INFO			
Dept: <u>City Clerk</u>		Contract Administrator: <u>Rita Moreno</u>	
		Contact Phone: <u>(213) 978-1122</u> MS# <u>159</u>	
CONTRACT INFO			
Contractor Name: <u>Venice Beach Property Owners' Association</u>		Contract # _____	
Contractor Address: <u>8 Horizon Avenue</u>		City: <u>Venice</u> State: <u>CA</u> Zip: <u>90291</u>	
Project/Contract Name: <u>Venice Beach Business Improvement District (BID)</u>			
Purpose of Contract: <u>Administration of the Venice Beach BID</u>			
Contract Amount: <u>\$ N/A</u>		Term: Start Date <u>01/01/17</u> End Date <u>12/31/21</u>	
SECTION I: DETERMINING APPLICABILITY TO LWO			
1 Check off ONE box that best describes the contract, then Continue to #2: This is a <input checked="" type="checkbox"/> New Contract <input type="checkbox"/> Contract Amndmt # _____			
2 If you checked off "New Contract" above, SKIP to Question #5 to determine whether this New contract is subject to the LWO.			
3 If you checked off "Contract Amendment" Please answer the following questions about the original contract:			
a Was the original contract subject to the LWO?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
b Was the original contract approved for an exemption?		<input type="checkbox"/> Yes <input type="checkbox"/> No If YES, please note what type of exemption it received:	
4 If you checked off YES to 3a OR 3b. THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 ONLY TO OCC. If you checked off NO to 3a AND 3b, Continue to #5 to determine whether this Contract Amendment is subject to the LWO.			
5 Check off ONE box in Parts A, B, C or D below that best describes the contract, then Continue to #6:			
PART A		PART B	
<input type="checkbox"/> Service contract that is less than 3 months OR \$25,000 or less ¹ <input type="checkbox"/> Other governmental entity ² <input type="checkbox"/> Purchase or rental of goods, equipment, property ³ <input checked="" type="checkbox"/> Funded by Business Improvement District (BID) assessment money ⁵ <input type="checkbox"/> Financial assistance is below both LWO CFAR thresholds: ⁶ (a) Financial assistance must be less than \$1 Million in a 12-month period AND (b) Is less than \$100,000 if on a continuing basis (such as a loan at a rate lower than the Applicable Federal Rate)		These contracts MAY or MAY NOT BE SUBJECT, or MAY or MAY NOT BE APPLICABLE to LWO: <input type="checkbox"/> Service contract that is at least 3 months AND over \$25,000. <input type="checkbox"/> Public leases or licenses <input type="checkbox"/> City Financial Assistance Recipient (CFAR) ⁷	
6 If you checked off any box in Part A - THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 ONLY TO OCC.			
7 If you checked off a box in Part B or C, SKIP TO #9.			
8 If you checked off the box in Part D, SKIP TO #13.			
9 If you have a service contract, answer questions a, c and d ONLY, then Continue to #10. If you have a public lease/license, answer questions b, c and d ONLY, then Continue to #10.			
a Are some of the services rendered by employees whose work site is on property owned by the City?		YES	NO
b Are the services rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities)?		<input type="checkbox"/>	<input type="checkbox"/>
c Could the services feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources?		<input type="checkbox"/>	<input type="checkbox"/>
d Has the DAA determined in writing that coverage would further the proprietary interests of the City?		<input type="checkbox"/>	<input type="checkbox"/>
10 If you checked off ANY boxes in the YES column, this contract is APPLICABLE TO THE LWO (it is SUBJECT). Continue onto SECTION II. Otherwise, continue to #11.			
11 You DID NOT check off ANY boxes in the YES column. This contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). Fill and submit LW-10, OCC Exemption Application for approval prior to contract execution found here: http://bca.lacity.org/index.cfm?next=ee&next_body=div_occ_lwo_forms.cfm , then Continue to #12.			
12 Has the exemption been approved? If YES, THIS FORM IS NOW COMPLETE – Once the contract has been executed, SUBMIT LW-1, Page 1 ONLY and the APPROVED EXEMPTION FORM to OCC. If NO, Continue onto SECTION IV.			
13 Answer the following question to determine whether the CFAR is subject to the LWO, then Continue to #14.			
a Does the agreement intend to promote economic development?		YES	NO
		<input type="checkbox"/>	<input type="checkbox"/>
14 If you checked off NO this contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). PLEASE SUBMIT PAGE 1 ONLY TO OCC. Otherwise, Continue to Question #15.			
15 Answer the following questions to determine whether the CFAR is subject to the LWO:			
a Is the Financial Assistance given in a 12-month period and above \$1 Million?		YES	NO
b Is the Financial Assistance \$100,000 or more on a continuing basis?		<input type="checkbox"/>	<input type="checkbox"/>
16 If you checked off ANY boxes in the YES column, this contract is APPLICABLE TO THE LWO (it is SUBJECT). Continue onto SECTION II. Otherwise, this contract is NOT APPLICABLE TO THE LWO (it is NOT SUBJECT). PLEASE SUBMIT PAGE 1 ONLY TO OCC.			

**CERTIFICATION REGARDING COMPLIANCE WITH THE
AMERICANS WITH DISABILITIES ACT**

The undersigned certifies, that to the best of his/her knowledge and belief, that:

1. The Contractor/Borrower/Agency (hereafter Contractor) is in compliance with and will continue to comply with the American with Disabilities Act 42 U.S.C. 1201 et seq. and its implementing regulations.
2. The Contractor will provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.
3. The Contractor will not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.
4. The Contractor will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative Contracts) and that all subrecipients shall certify and disclose accordingly.
5. This certification is a material representation of fact upon which reliance was placed when the parted entered into this transaction.

Contract NUMBER _____

Venice Beach Property Owners Association

CONTRACTOR/BORROWER/AGENCY

Mark Sokol, President / Chairman of the Board

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE _____



DATE _____

5-5-17

**CITY OF LOS ANGELES
CONTRACTOR RESPONSIBILITY ORDINANCE**

CRO QUESTIONNAIRE RECEIPT VERIFICATION FORM

To verify the Contractor Responsibility Ordinance's (CRO) compliance, this form must be completed by the Awarding Authority and submitted to the appropriate Designated Administrative Agency (DAA) along with the Responsibility Questionnaires. Upon receipt of the Questionnaires, the DAA will return this signed form to the Awarding Authority. **The Awarding Authority must attach the certified form to each draft contract for review by the Office of the City Attorney. No contract may be executed unless a certified Receipt Verification Form indicates that the CRO requirement has been met.**

1. Information Regarding Proposed Contract

Project Name/Description: Administration of the Venice Beach Business Improvement District

RFB/RFQ/RFP # (if any): N/A	Date RFB/RFQ/RFP Released: N/A
Procuring Dept.: City Clerk	Mail Stop #: 159
Name of Dept. Contact: Rita Moreno	Phone: (213) 978-1122

2. Questionnaires Are Submitted for the Following Bidders/Proposers/Proposed Contractors:

Company Name: Venice Beach Property Owners' Association

Company Address: 8 Horizon Avenue

City: Venice	State: CA	Zip: 90291
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Company Name:

Company Address:

City:	State:	Zip:
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Company Name:

Company Address:

City:	State:	Zip:
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Company Name:

Company Address:

City:	State:	Zip:
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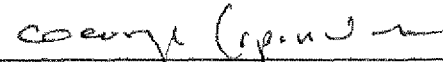
FOR DAA USE ONLY – VERIFICATION REGARDING RECEIPT

The Responsibility Questionnaires for the bidders/proposers/proposed contractors listed above were received on (date) 5/23/17.

The Questionnaires were processed by:

- Dept. of Public Works for Construction Contracts and **Service** Contracts
- Dept. of General Services for Procurement Contracts

Authorized DAA Representative (Print Name) GEORGE ESPINDOLA Phone (213) 847-2408

DAA Representative Signature  Date 5/23/17

CITY OF LOS ANGELES

PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for the purchase of goods and products of at least \$100,000, contracts for the purchase of garments of at least \$25,000, and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Venice Beach Property Owners Association

Company Name, Address and Phone Number

Signature of Officer or Authorized Representative

5-15-17
Date

Mark Sokol, President / Chairman of the Board

Print Name and Title of Officer or Authorized Representative

Office of the City Clerk, NBID Division

Awarding City Department

Contract Number

**CITY OF LOS ANGELES
RESPONSIBILITY QUESTIONNAIRE**

RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM. In responding to the Questionnaire, neither the City form, nor any of the questions contained therein, may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

A. CONTACT INFORMATION

CITY DEPARTMENT INFORMATION

City Clerk / Neighborhood & Business Improvement District Division / Rita Moreno or Miranda Paster / 213-978-1122 or 213-978-1111		
City Department/Division Awarding Contract	City Contact Person	Phone
CF 16-0749 / Ord. 184556 Venice Beach Business Improvement District		
City Bid or Contract Number (if applicable) and Project Title		

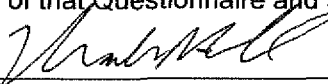
BIDDER/CONTRACTOR INFORMATION

Venice Beach Property Owners Association			
Bidder/Proposer Business Name			
8 Horizon Avenue	Venice	CA	90291
Street Address	City	State	Zip
Mark Sokol, President/Chairman of the Board	213-788-7469	310-399-4512	
Contact Person, Title	Phone	Fax	

TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- An initial submission of a completed Questionnaire.
- An update of a prior Questionnaire dated ____/____/____.
- No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated ____/____/____ was submitted by the firm. Attach a copy of that Questionnaire and sign below.

Mark Sokol, President/Chairman of the Board		5-15-17
Print Name, Title	Signature	Date

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS: 9

B. BUSINESS ORGANIZATION/STRUCTURE

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

Corporation: Date incorporated: 04 / 16 / 2016 State of incorporation: CA

List the corporation's current officers.

President: Mark Sokol

Vice President: _____

Secretary: Jeremy Weinstein

Treasurer: Steven M. Heumann

Check the box only if your firm is a publicly traded corporation.

List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed. Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

Limited Liability Company: Date of formation: ____/____/____ State of formation: _____

List members who own 5% or more of the company. Use Attachment A if more space is needed.

Partnership: Date formed: ____/____/____ State of formation: _____

List all partners in your firm. Use Attachment A if more space is needed.

Sole Proprietorship: Date started: ____/____/____

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years. Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

Joint Venture: Date formed: ____/____/____

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. **Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.**

C. OWNERSHIP AND NAME CHANGES

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

Yes No

If **Yes**, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

Yes No

If **Yes**, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

Yes No

If **Yes**, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

Yes No

If **Yes**, list on Attachment A the name of the corporation or partnership that actually holds the license.

Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.

The responses in this Questionnaire will not be made available to the public for review. This is not a public document. [CPCC §20101(a)]

D. FINANCIAL RESOURCES AND RESPONSIBILITY

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?

Yes No

If **Yes**, explain the circumstances on Attachment B.

E. PERFORMANCE HISTORY

7. How many years has your firm been in business? 1 Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?

Yes No

If, **Yes**, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check **Yes** even if the matter proceeded to arbitration without court litigation. For part (c), check **Yes** only if the matter proceeded to court litigation. If you answer **Yes** to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case; the date each case was filed; and the disposition/current status of each case.

(a) Payment to subcontractors?

Yes No

(b) Work performance on a contract?

Yes No

(c) Employment-related litigation brought by an employee?

Yes No

14. Does your firm have any outstanding judgements pending against it?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance in the last five years.

H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check Yes if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check Yes to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

(a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

Yes No

(b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

Yes No

(c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

Yes No

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

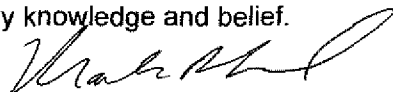
Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

Mark Sokol, President/Chairman of the Board



5-15-17

Print Name, Title

Signature

Date

ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

ATTACHMENT C: GOVERNMENTAL ENTITIES FOR QUESTION NO. 16

Check **Yes** in response to Question No. 16 if your firm or any of its owners, partners or officers, have ever been investigated, cited, assessed any penalties, or found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed below (or any of its subdivisions), including but not limited to those examples specified below. The term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation. If you answered **Yes**, provide an explanation on Attachment B of the circumstances surrounding each instance, including the entity involved, the dates of such instances, and the outcome.

FEDERAL ENTITIES**Federal Department of Labor**

- American with Disabilities Act
- Immigration Reform and Control Act
- Family Medical Leave Act
- Fair Labor Standards Act
- Davis-Bacon and laws covering wage requirements for federal government contract workers
- Migrant and Seasonal Agricultural Workers Protection Act
- Immigration and Naturalization Act
- Occupational Safety and Health Act
- anti-discrimination provisions applicable to government contractors and subcontractors
- whistleblower protection laws

Federal Department of Justice

- Civil Rights Act
- American with Disabilities Act
- Immigration Reform and Control Act of 1986
- bankruptcy fraud and abuse

Federal Department of Housing and Urban Development (HUD)

- anti-discrimination provisions in federally subsidized/assisted/sponsored housing programs
- prevailing wage requirements applicable to HUD related programs

Federal Environmental Protection Agency

- Environmental Protection Act

National Labor Relations Board

- National Labor Relations Act

Federal Equal Employment Opportunity Commission

- Civil Rights Act
- Equal Pay Act
- Age Discrimination in Employment Act
- Rehabilitation Act
- Americans with Disabilities Act

STATE ENTITIES**California's Department of Industrial Relations**

- wage and labor standards, and licensing and registration
- occupational safety and health standards
- workers' compensation self insurance plans
- Workers' Compensation Act
- wage, hour, and working standards for apprentices
- any provision of the California Labor Code

California's Department of Fair Employment and Housing

- California Fair Employment and Housing Act
- Unruh Civil Rights Act
- Ralph Civil Rights Act

California Department of Consumer Affairs

- licensing, registration, and certification requirements
- occupational licensing requirements administered and/or enforced by any of the Department's boards, including the Contractors' State Licensing Board

California's Department of Justice**LOCAL ENTITIES**

City of Los Angeles or any of its subdivisions for violations of any law, ordinance, code, rule, or regulation administered and/or enforced by the City, including any letters of warning or sanctions issued by the City of Los Angeles for an unauthorized substitution of subcontractors, or unauthorized reductions in dollar amounts subcontracted.

OTHERS

Any other federal, state, local governmental entity for violation of any other federal, state, or local law or regulation relating to wages, labor, or other terms and conditions of employment.

13507

EBO WAIVER

CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway, 3rd Floor, Los Angeles, CA 90015
Phone: (213) 847-2625 - E-mail: bca.eeoe@lacity.org

EEOE Received

MAY 22 2017

EQUAL BENEFITS ORDINANCE AWARDING AUTHORITY REQUEST FOR WAIVER

Company Name: Venice Beach Property Owners' Association BAVN ID #: 90957
Company Address: 8 Horizon Avenue
City: Venice State: CA Zip: 90291 Fed. ID/SS# 81-2967166
Phone: (213) 788-7469
Contract Number (if available): _____
Contract Term - Start Date: January 1, 2017 End Date: December 31, 2021
Contract Amount: N/A
Type of Service: Administration of the Venice Beach Business Improvement District

SECTION 1. BASIS FOR REQUEST FOR WAIVER FROM EQUAL BENEFITS ORDINANCE

List all code section(s) on which this request for waiver is based. Cite all sections that may apply.
Los Angeles Administrative Code Division 10, Chapter 1, Article 1, Section 10.8.2.1, Subsection (f)(1)(b)

SECTION 2. REASON FOR WAIVER

Attach a memorandum detailing:

- (1) Why the waiver is being requested.
- (2) The facts and circumstances that support your determination that the contract meets all the criteria required in the code section(s) listed above.
- (3) The steps taken to find an entity that complies with the Equal Benefits Ordinance (EBO).

SECTION 3. SUBMIT REQUEST FOR WAIVER

Submit this request for waiver and all documentation to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) at the address referenced above. The OCC will make a determination within seven (7) working days of receipt of a request for waiver and all supporting documentation.

Name of contact person: Rita Moreno Title: BID Analyst
Department: City Clerk Phone: (213) 978-1122
Signature: *Rita Moreno* Date: May 22, 2017


An approved waiver is valid only for the contract for which it was requested. It is not valid for any other contracts the contractor may have with the City.

FOR OCC USE ONLY	
<input type="checkbox"/> Not Approved. (See attached memorandum for explanation.)	
<input checked="" type="checkbox"/> Approved based on code section(s): <u>10.8.2.1 (1)(2)(a) INVESTMENT OF CITY MONIES.</u>	
Analyst: <u><i>Rita Moreno</i></u>	Date: <u>5/23/17</u>

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 22, 2017

TO: Bureau of Contract Administration
Department of Public Works

FROM: Rita Moreno 
Neighborhood and Business Improvement District Division
Office of the City Clerk

SUBJECT: EBO Waiver Request

This contract, between the City of Los Angeles and the Venice Beach Property Owners' Association is specifically for the administration of the Venice Beach Business Improvement District (see the Ordinance of Establishment #184556, adopted November 9, 2017.) As such, the contract is a sole source contract per the City's Administration Code Section 10.8.2.1, Subsection (i)(1)(b) and, therefore, EBO is non-applicable. The City will collect assessment funds on behalf of the BID and deposit them in the City's Special Business Improvement Trust Fund 659, from which said funds will be tendered to the BID through the administration contract between the City and the BID's 501(c)(6) non-profit administrator, the Venice Beach Property Owners' Association.

The signed and dated EBO Waiver Request Form for the Venice Beach Property Owners' Association is attached to this memorandum.

Attachment

EBO/FSHO COMPLIANCE

City of Los Angeles
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway, Suite 300, Los Angeles, CA 90015
Phone: (213) 847-2625 E-mail: bca.geoe@lacity.org

EQUAL BENEFITS ORDINANCE COMPLIANCE AFFIDAVIT

Prime contractors must certify compliance with Los Angeles Administrative Code (LACC) Section 10.8.2.1 et seq. prior to the execution of a City agreement subject to the Equal Benefits Ordinance (EBO).

SECTION 1. CONTACT INFORMATION

BAVN Company Id: 90957 EIN/TIN: 81-2967166
Company Name: Venice Beach Property Owners Association
Company Address: 8 Horizon Ave
City: Venice State: CA Zip: 90291
Contact Person: Mark Sokol Phone: 213-788-7469 E-mail: admin@venicebeachbid.com
Approximate Number of Employees in the United States: 0
Approximate Number of Employees in the City of Los Angeles: 0

SECTION 2. EBO REQUIREMENTS

The EBO requires City Contractors who provide benefits to employees with spouses to provide the same benefits to employees with domestic partners. Domestic Partner means any two adults, of the same or different sex, who have registered as domestic partners with a governmental entity pursuant to state or local law authorizing this registration, or with an internal registry maintained by the employer of at least one of the domestic partners.

Unless otherwise exempt, the contractor is subject to and shall comply with the EBO as follows:

- A. The Contractor's operations located within the City limits, regardless of whether there are employees at those locations performing work on the City Contract; and
- B. The Contractor's operations located outside of the City limits if the property is owned by the City or the City has a right to occupy the property, and if the contractor's presence at or on the property is connected to a Contract with the City and
- C. The Contractor's employees located elsewhere in the United States, but outside of the City Limits, if those employees are performing work on the City Contract.

A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners."

SECTION 3. COMPLIANCE OPTIONS

I have read and understand the provisions of the Equal Benefits Ordinance and have determined that this company will comply as indicated below:

- I have no employees.
- I provide no benefits.
- I provide benefits to employees only. Employees are prohibited from enrolling their spouse or domestic partner.
- I provide equal benefits as required by the City of Los Angeles EBO.
- I provide employees with a "Cash Equivalent." Note: The "Cash Equivalent" is the amount of money equivalent to what your company pays for spousal benefits that are unavailable for domestic partners, or vice versa.
- All or some employees are covered by a collective bargaining agreement (CBA) or union trust fund. Consequently, I will provide Equal Benefits to all non-union represented employees, subject to the EBO, and will propose to the affected unions that they incorporate the requirements of the EBO into their CBA upon amendment, extension, or other modification of the CBA.
- Health benefits currently provided do not comply with the EBO. However, I will make the necessary changes to provide Equal Benefits upon my next Open Enrollment period which begins on (Date)

SDO COMPLIANCE

CITY OF LOS ANGELES - SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt from the Slavery Disclosure Ordinance (SDO), a Company entering into a Contract with the City must complete an Affidavit disclosing any and all records of Participation or Investment in, or Profits derived from Slavery, including Slaveholder Insurance Policies, during the Slavery Era. The Company must complete and submit the Affidavit and any attachments ON LABAVN (www.labavn.org before a Contract or Contract Amendment can be executed. The Affidavit must only be submitted once on LABAVN, but contractors are responsible for updating their Affidavit if changes occur to any information contained therein.

Questions regarding the Affidavit may be directed to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance. Website: <http://bca.lacity.org/index.cfm>; Phone: (213) 847-2625; E-mail: bca.eeoe@lacity.org.

AFFIDAVIT DISCLOSING SLAVERY ERA PARTICIPATION, INVESTMENTS OR PROFITS

1. I, Mark Sokol am authorized to bind contractually the Company identified below.

2. Information about the Company entering into a Contract with the City is as follows:

<u>90957</u> BAVN Company Id	<u>81-2967166</u> EIN/TIN
<u>Venice Beach Property Owners Association</u> Company Name	
<u>8 Horizon Ave</u> Street Address	<u>Venice</u> <u>CA</u> <u>90291</u> City State Zip
<u>213-788-7469</u> Phone	<u>admin@venicebeachbid.com</u> Email

3. The company came into existence in 2016 (year).

4. The Company has searched its records and those of any Predecessor Companies for information relating to Participation or Investments in, or Profits derived from Slavery or Slaveholder Insurance Policies. Based on that research, the Company represents that: (mark only the option(s) that apply):

- The Company found no records that the Company or any of its Predecessor Companies had any Participation or Investments in, or derived Profits from, Slavery or Slaveholder Insurance Policies during the Slavery Era.
- The Company found records that the Company or its Predecessor Companies Participated or Invested in, or derived Profits from Slavery during the Slavery Era. A description of the nature of that Participation, Investment, or Profit is required and should be sent to bca.eeoe@lacity.org.
- The Company found records that the Company or its Predecessor Companies bought, sold, or derived Profits from Slaveholder Insurance Policies during the Slavery Era. A list of names of any Enslaved Persons or Slaveholders under the Policies is required and should be sent to bca.eeoe@lacity.org.

TERMS OF ACCEPTANCE AND SIGNATURE:

I, Mark Sokol, the requestor for this "SDO Affidavit", warrant the truthfulness of the information provided in the document.

Electronic Signature:

<u>Mark Sokol</u> Signature	<u>18 May, 2017</u> Date
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I understand that checking this box constitutes a legal signature confirming that I acknowledge and agree to the above Terms of Acceptance.

Execution of document by E-signature. By clicking on the check box it indicates an electronic signature. This is considered the legal equivalent of a manual or "wet" signature. Once signed electronically, this document is considered original and legally binding.

Request for Taxpayer
Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Venice Beach Property Owners Association

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
 Individual/sole proprietor or single-member LLC
 Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____
 Other (see instructions) ▶ **501(c)(6) corporation**
 C Corporation
 S Corporation
 Partnership
 Trust/estate

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
 Exempt payee code (if any) **T**
 Exemption from FATCA reporting code (if any) **A**
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
8 Horizon Avenue

6 City, state, and ZIP code
Venice, CA 90291

7 List account number(s) here (optional)

Requester's name and address (optional)

Print or type
See Specific Instructions on page 2.

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

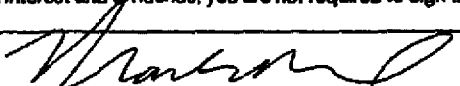
Social security number									
			-			-			
or									
Employer identification number									
8	1	-	2	9	6	7	1	6	6

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶  Date ▶ **5-15-17**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/wh9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.